

BOARD OF WATER AND LIGHT
REO Town Depot
1201 S. Washington Ave. - Lansing, Michigan
March 22, 2016 - 5:00 p.m.
BOARD MEETING AGENDA

1. Roll Call

2. Pledge of Allegiance

3. Approval of Minutes

- a. Regular Board Meeting – January 26, 2016

4. Public Comments

Members of the public are welcome to speak to the Board on any agenda subject. Anyone wishing to comment on any matter not on the agenda may do so immediately prior to adjournment.

5. Communications

- a. Electronic Communication from Angela Sorrells Jones, re: Water Concerns
- b. Electronic Communication from Lisa Parker, re: Substation Location
- c. Electronic Communication from Bruce Ardelean, re: Flooded Property
- d. Electronic Communication from Sparrow Hospital Parking Security, re: Personal Use of a Company Vehicle
- e. Letter from Jerry Duman, Sparrow Hospital Interim Security and Parking Director, re: Parking Complaint

6. Committee Reports

- a. Committee of the Whole (March 8, 2016) – Dennis M. Louney, Chairperson
- b. Finance Committee Meeting (March 8, 2016) – Ken Ross, Chairperson
- c. Human Resources Committee Meeting (March 15, 2016) – Tony Mullen, Chairperson

7. Manager Recommendations

- a. Records Retention Policy & Records Retention and Disposal Schedule Resolution
- b. Capital Budget Exceedence Approval
- c. Adoption of Amendments for the Cafeteria and Post Retirement Benefit Plans
- d. Adoption of Amendments for the Defined Contribution Plans

8. Unfinished Business

9. New Business

10. Resolutions/Action Items

- a. Resolution Designating Baker Tilly as External Auditor for FY 2016-2020

11. Manager's Remarks

12. Commissioners' Remarks

13. Motion of Excused Absence

14. Public Comments

Members of the public are welcome to speak to the Board on any Board of Water and Light subject.

15. Adjournment



MINUTES OF THE BOARD OF COMMISSIONERS' MEETING

LANSING BOARD OF WATER AND LIGHT

January 26, 2016

The Board of Commissioners met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, January 26, 2016.

Chairperson David Price called the meeting to order at 5:30 p.m.

Present: Commissioners Mark Alley, Dennis M. Louney, Anthony McCloud, Tony Mullen, David Price, Ken Ross, Tracy Thomas and Sandra Zerkle. Non-Voting Commissioners present: Mike Froh (Meridian Township), Bob Nelson (East Lansing) and Bill Long (Delta Township).

Absent: None

The Corporate Secretary declared a quorum present.

Commissioner Tracy Thomas led the Pledge of Allegiance.

APPROVAL OF MINUTES

Commissioner Ross proposed a clarification to the Committee of the Whole Minutes from January 12, 2016, to reflect that any power outage would be localized to East Lansing, in the event of a storm, if trees that the BWL has not been able to trim in East Lansing knocked the power out. A small percentage of Lansing could be affected.

Motion by Commissioner Thomas, Seconded by Commissioner McCloud to approve the Regular Board Meeting minutes of November 17, 2016 with the amendment for the clarification mentioned above.

Action: Motion Carried

PUBLIC COMMENTS

MEMBERS OF THE PUBLIC ARE WELCOME TO SPEAK TO THE BOARD ON ANY AGENDA SUBJECT. ANYONE WISHING TO COMMENT ON ANY MATTER NOT ON THE AGENDA MAY DO SO IMMEDIATELY PRIOR TO ADJOURNMENT.

COMMUNICATIONS

- a. Electric Communication from George Overton re: Damages from Cutover
Referred to Management and Received and Placed on File

General Manager Peffley provided an update to the communication by stating that the Management resolved the issue with Mr. Overton.

- b. Electric Communication from Lt. Dalvius King, representing the Salvation Army re: A joint strategy for providing assistance to Lansing Residents

Referred to Management and Received and Placed on File

Non-Voting Commissioner Bob Nelson stated that he is very receptive of Salvation Army to come in and talk about their needs and how they fit with the other recipients of the low-income energy assistance fund.

COMMITTEE REPORTS
COMMITTEE OF THE WHOLE
January 12, 2016

The Committee of the Whole of the Lansing Board of Water and Light met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, January 12, 2016.

Committee of the Whole Chair Dennis M. Louney called the meeting to order and asked the Corporate Secretary to call the roll.

Present: Commissioners Dennis M. Louney, Mark Alley, Anthony McCloud, Tony Mullen, David Price, Ken Ross and Tracy Thomas, Sandra Zerkle and Non-Voting Members: Michael Froh (Meridian Township) and Bill Long (Delta Township).

Absent: Non-Voting Commissioner Robert Nelson (East Lansing).

Corporate Secretary declared a quorum.

Public Comments

None

Approval of Minutes

Motion by Commissioner Price, Seconded by Commissioner Thomas to approve the Committee of the Whole meeting minutes of September 8, 2015.

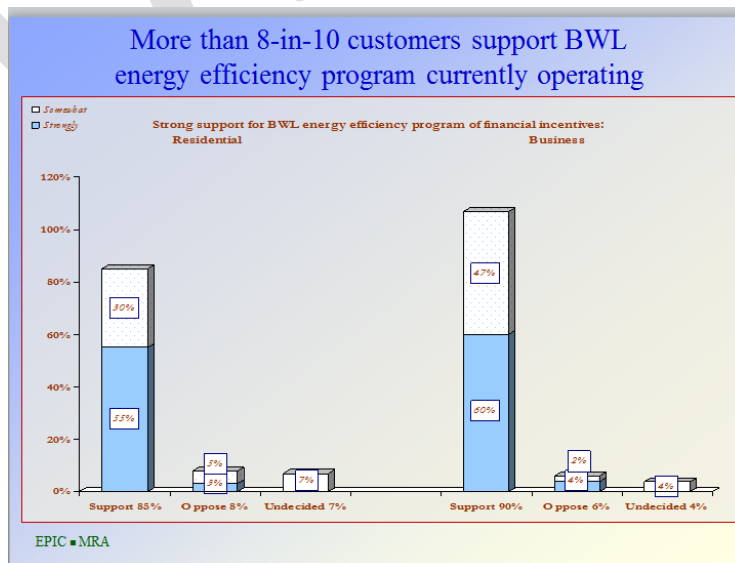
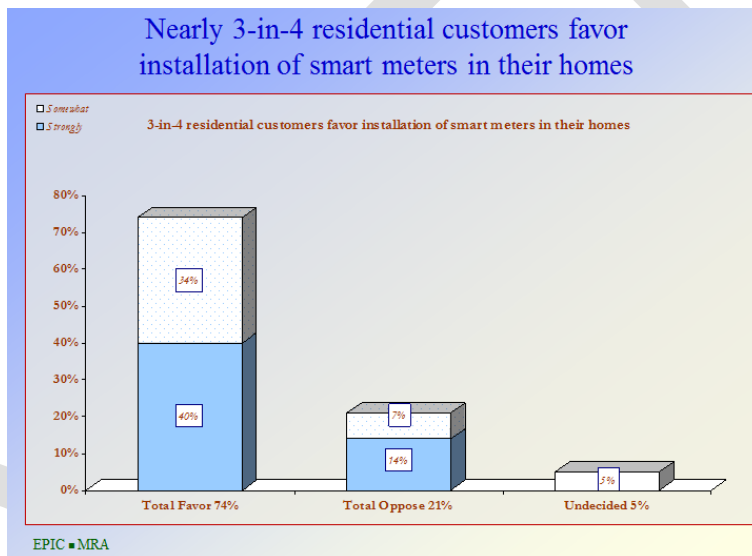
Action: Motion Carried

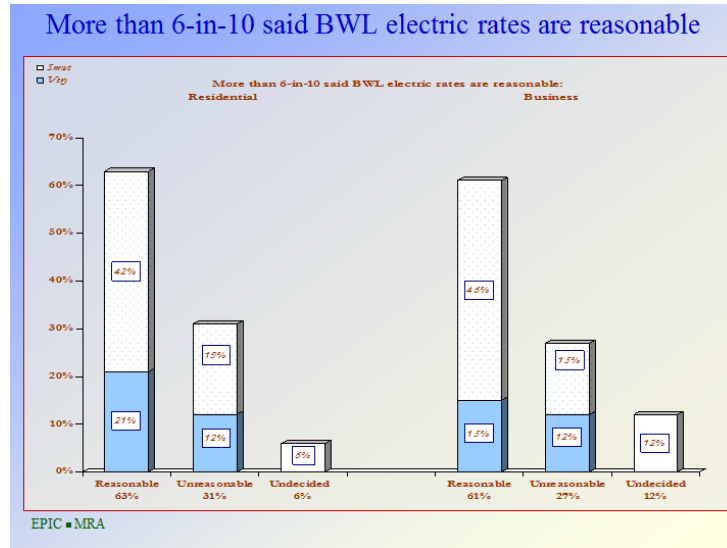
IRP Survey Results Update

General Manager, Dick Peffley, introduced George Stojic, Executive Director of Planning and Development, who provided a summary and update of the Integrated Resource Planning (IRP) process. Mr. Stojic reviewed the BWL's IRP public process and outlined the generation planning process. He summarized the four public meetings held to date. The first covered BWL history, its participation in MISO, and the Lansing Energy Tomorrow program. The next three covered forecasts, supply-side generation options, and demand-side generation options respectively. He indicated that the next meeting would cover the modeling program, which brings material covered in the previous meetings together. The modeling program uses sensitivities and scenarios to assess the cost and risk of various resource portfolios. He stated that numerous resource portfolios are possible and that identifying goals is an important step to identify a good portfolio. To help identify goals, he stated that the BWL commissioned a survey of its customers and introduced Mr. Bernie Porn who provided a

report on the survey.

Mr. Porn stated that the survey consisted of 400 residential and 300 business customers. He indicated that when asked of different ways about important goals, that BWL customers consistently ranked reliability, affordability, producing power while minimizing environmental impacts, and having enough affordable energy to attract economic development and business as the most important planning goals. Mr. Porn indicated that in order to replace the electric energy lost when Eckert retires, the preferred energy choice is a natural gas plant. He also indicated that there was strong support for more renewable energy, energy efficiency programs, and that most customers were willing to pay more for renewable energy. According to Mr. Porn, BWL customers do not favor relying on the grid to replace the power lost when Eckert retires. He also indicated that most customers favor the installation of smart meters and most are willing to pay more during peak times and less during off-peak times. He concluded by saying 81% of BWL customers gave the BWL a positive rating and 6 in 10 thought the BWL's rates were reasonable.





MPPA Alternate Commissioner Resolution

General Manager, Dick Peffley, stated that Lori Pung, Second Alternate Commissioner at Michigan Public Power Agency (MPPA), was recently promoted to in her BWL role to the Manager of Finance, and as such, it is in the best interest of the BWL to name a replacement for the Second Alternate MPPA Commissioner, to wit: Constance Carantza.

Motion by Commissioner Ross, Seconded by Commissioner Price to forward the proposed resolution to the full Board for consideration.

Action: Motion Carried

Public Comment

None

Other

Commissioner Price stated that he also serves as a Commissioner on a Board for Governor's Commission on Community Service, whose Board of Directors met earlier today at the Depot facility. Commissioner Priced thanked the BWL staff for accommodating the Governor's Commissioners' Board and for extending superb customer service.

Commissioner Long inquired about an update on the Commissioner training with Janice Beecher. In addition, Commissioner Long also inquired on the status of community strategy development. Commissioner Louney stated that he will craft a plan to bring back to the Board for consideration.

Commissioner Price stated that the Lansing City Council has elected new leadership and has established a date for the bi-annual joint BWL-City Council Board meeting, which will be held on March 10, 2106.

Commissioner Louney stated that the information that was provided to Commissioners and to the public in preparation for the December 28th storm was excellent, however, asked if in the future the Commissioners can receive a summary of preparation that was put in place. General Manager Peffley provided a verbal summary to the Commissioners on the storm preparation, including that the BWL was on Restoration Plan Level 2, as well as provided highlights as to the crews and staff that BWL had on standby in preparation for the storm.

Commissioner Alley inquired on the East Lansing tree trimming update. General Manager Peffley provided an update by informing the Commissioners that East Lansing Mayor Mark Meadows expressed cooperation as to working with the BWL related to tree trimming. Additionally, the BWL uncovered easements that the BWL was not previously aware of; therefore, it gives the BWL the more authority to trim.

Commissioner Ross asked in the event of a storm, if trees that the BWL has not been able to trim in East Lansing knocked the power out, whether that outage would be a localized outage, or whether the rest of the service area would be at risk. General Manager Peffley stated that the outage would be localized to ***E. Lansing and a small percent of Lansing could be affected.***

Commissioner Froh asked for a reference of the BWL Restoration Levels. General Manager Peffley stated that this will be provided to the Commissioners.

Commissioner Peffley announced that the Director of Transmission Distribution position was filled by Mr. Wayne Lynn.

Excused Absence

Motion by Commissioner Ross, Seconded by Commissioner Price, to excuse Commissioners Nelson from tonight's meeting.

Action: Motion Carried

Adjourn

On Motion by Commissioner McCloud, Seconded by Commissioner Mullen, the meeting adjourned at 7:08 p.m.

Respectfully Submitted
Dennis. M. Louney, Chair
Committee of the Whole

FINANCE COMMITTEE
January 12, 2016

The Finance Committee of the Lansing Board of Water and Light met at the BWL Headquarters – REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 7:15 p.m. on Tuesday, January 12, 2016.

Finance Committee Chairperson Ken Ross called the meeting to order and asked the Corporate Secretary to call the roll.

Present: Commissioners Ken Ross, Dennis M. Louney, Tracy Thomas, David Price. Also, present Commissioners Mark Alley, Tony Mullen, Sandra Zerkle and Non-Voting Members Michael Froh (Meridian Township), Bill Long (Delta Township).

Absent: Commissioner Nelson (East Lansing).

The Corporate Secretary declared a quorum.

Public Comments

None

Approval of Minutes


Motion by Commissioner Louney, Seconded by Commissioner Price, to approve the Finance Committee meeting minutes of November 10, 2015.

Action: Motion Carried

November YTD Financial Summary

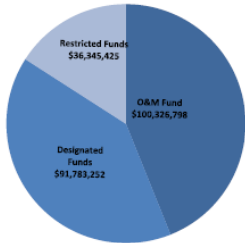
Heather Shawa-DeCook, Chief Financial Officer (CFO) discussed BWL’s November month-end-close 2015 YTD Financial Summary, covering the following:

- Cash
- Ratios
- Budget Status YTD
- Employee Data



Financial Summary - November 2015

Cash



Total Cash: \$228,455,475

	Month End	Target
Days Cash on Hand	183	150-249
Credit Rating	AA-	AA-
Debt Service Coverage - Rating Agencies	1.74	2.00-2.49
Debt Service Coverage - Bond Covenants	2.41	1.25

The Days Cash on Hand and Debt Service Coverage - Rating Agencies target ranges are provided by Moody's as expected performance for a AA- rated electric utility with generation.

Income Statement YTD

	Actual YTD	YTD Budget	Difference	%	Actual Prior YTD	Difference	%
Retail	\$ 142,652,881	\$ 142,859,664	(206,783)	0%	\$ 127,488,131	\$ 15,164,750	12%
Wholesale	\$ 14,209,733	\$ 19,590,274	(5,320,541)	-27%	\$ 14,106,930	\$ 162,803	1%
Total Revenue	\$ 156,912,614	\$ 162,449,938	(5,527,324)	-3%	\$ 141,595,062	\$ 15,327,553	11%
Operating Expenses	\$ 127,321,997	\$ 141,022,659	(13,700,662)	-10%	\$ 125,047,932	\$ 2,274,065	2%
Non Operating	\$ (14,184,484)	\$ (15,368,700)	1,184,216	-8%	\$ (13,519,882)	\$ (664,602)	5%
Net Income	\$ 15,416,133	\$ 6,058,579	9,357,554	154%	\$ 3,027,248	\$ 12,388,885	409%
Projected FY 2016 Net Income	\$ 7,366,605						

Budget Status YTD

O&M Budget YTD (excluding fuel)

Actual YTD	YTD Budget	Difference	%
\$ 54,685,692	\$ 62,422,055	(7,736,363)	-12%

Capital Budget YTD

Actual YTD	YTD Budget	Difference	%
\$ 15,719,630	\$ 24,176,683	(8,457,053)	-35%

Adjusted Net Income Return

Actual YTD	YTD Budget	Target
2.94%	1.66%	6.18%

Debt Service Coverage - Rating Agencies = $\frac{\text{Projected Net Income} + \text{Depreciation Expense} + \text{Interest Expense} + \text{Fixed Obligations}^*}{\text{Debt Service} + \text{Fixed Obligations}}$
 Adjusted Net Income Return = $\frac{\text{Actual YTD Net Income increased for interest expense}}{\text{Net Fixed Assets} + \text{Inventory}}$
 *Fixed obligations represent Belle River Debt Service

Financial Summary - November 2015



Ratios

Operating Ratio

O&M Expense	\$ 110,298,874	+ 0.70	APPA Median	0.71
Revenue	\$ 156,922,614			

Measures the proportion of revenues to cover the operations and maintenance costs

Current Ratio

Current Assets	\$ 217,703,778	+ 3.59	APPA Median	2.07
Current Liabilities	\$ 60,685,095			

Measures whether current assets are sufficient to pay current liabilities within one year

Debt to Total Assets

LT Debt + Accrued Liabilities	\$ 475,886,330	+ 0.41	APPA Median	0.61
Total Assets	\$ 1,032,447,375			

Measures the ability to meet its current and long-term liabilities based on the availability of assets

Days' Sales Outstanding

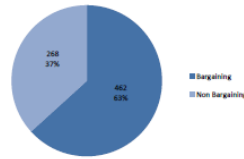
Accounts Receivable	\$ 23,358,576	+ 0.79	Prior Year	28
Average Sales	\$ 29,434,860	X 30		23 Days

Bad Debt

Actual YTD	YTD Budget	Over/(Under)	% of Revenue	APPA Median
\$991,830	\$760,038	-\$168,208	0.38%	0.28%

Employee Data

Employee Count YTD	730
Budget YTD	752
Over (Under)	(22)
Over (Under)	-2.9%
Prior YTD	718
Difference	12
Temporary Employee YTD	17



Payroll Data

	Actual YTD	YTD Budget	Difference	%	Actual Prior YTD	Difference	%
Regular	\$22,640,837	\$23,193,560	\$ (553,223)	-2.4%	\$ 21,584,362	\$ 1,055,975	4.9%
Overtime	\$ 3,207,124	\$ 2,543,760	\$ 663,364	26.1%	\$ 3,438,476	\$ (231,352)	-6.2%
Total	\$25,847,461	\$25,737,320	\$ 110,141	0.4%	\$ 25,002,837	\$ 844,624	3.4%
Total Hours Worked	584,940				573,388		
Labor/Hours Worked	\$ 44.19				\$ 43.61		

APPA Median \$ 44.13

APPA Median data is based on 2014 numbers and does not reflect subsequent labor inflation.

Benefits Cost

(Including Retirees)

	Actual YTD	YTD Budget	Difference
Health	\$ 4,824,987	\$ 5,916,654	\$ (1,091,667)
RR	\$ 1,316,945	\$ 1,372,226	\$ (55,281)
Dental	\$ 309,034	\$ 379,866	\$ (70,832)
Life	\$ 99,584	\$ 135,897	\$ (36,313)
FICA	\$ 1,875,843	\$ 1,913,891	\$ (38,048)
Other	\$ 1,073,372	\$ 1,289,513	\$ (216,141)
Total	\$ 9,549,765	\$ 11,187,847	\$ (1,638,082)

Finance Chairperson Ken Ross asked Ms. Shawa-DeCook to clarify the factors contributing to wholesale income being down by almost \$5 million dollars for Income YTD, to which Ms. Shawa-DeCook explained that this was due to BWL's Belle River location experiencing unplanned outages, as well as that wholesale sales prices have been lower than budgeted. Additionally Chairperson Ross asked Ms. Shawa-DeCook to expound on the Net Income YTD, to which Ms. Shawa-DeCook explained that BWL is at operating income of \$15.4 million, compared to budgeted \$6 million, thus beating budget by over \$9 million.

There was a lengthy discussion regarding the Capital Budget Status YTD, to which General Manager Peffley and CFO Shawa-DeCook answered all presented questions.

Commissioner Louney commended Ms. Shawa-DeCook on creating a great synopsis of the financial summary.

Finance Chair Ross, asked that the overtime actual to budget be further explained, as it is significantly over budget current year to date. General Manager Peffley explained that one contributing factor is that the BWL has had a hard time staffing Eckert Power Station with trained operators. Operator positions take two years to fully train the operators and while in training we are required to have a fully trained operator side by side. General Manager Peffley also stated that the Line department is experiencing higher OT costs with recent retirements and a competitive recruitment market for journeyman positions.

There was a discussion regarding succession planning. Upon conclusion, HR Chair Mullen requested staff provide at a future HR Committee meeting an overview of the BWL's succession plan.

General Manager Peffley stated that the increase in Net Income is not a result of cutting staff or cutting safety, but by reaping efficiency of the workforce.

FY17 Preliminary O&M/Capital Budgeting Process & Timing Overview

Heather Shawa-DeCook, Chief Financial Officer (CFO) provided a high-level overview of the FY 17 Preliminary O&M/Capital Budgeting Process & Timing. Fiscal year 2017 budget process is currently underway. The key items that the BWL is undertaking is development of a revenue budget, which consists of market operations and water

departments forecasts; also, managements and directors are preparing capital budget requests.

There was a discussion regarding capital budget, its review process, as well as how it relates to rate increases.

Financial Summary Section Overview

Scott Taylor, Manager of Finance, discussed the following:

- Income Statement
- YTD Budget Status
- YTD Adjusted Net Income

Mr. Taylor stated that the Income Statement YTD provides a high-level view of revenues, expenses, and net income. The budget-to-actual column provides the best information; however, a comparison to the prior year is presented as well to provide another perspective. The revenue and expense sections are each broken into two parts because they have different factors affecting them. This section helps the BWL see where it is and where it may end up at year-end.

Income Statement YTD

	Actual YTD	YTD Budget	Difference	%	Actual Prior YTD	Difference	%
Retail	\$ 142,652,881	\$ 142,859,664	(206,783)	0%	\$ 127,488,131	\$ 15,164,750	12%
Wholesale	\$ 14,269,733	\$ 19,590,274	(5,320,541)	-27%	\$ 14,106,930	\$ 162,803	1%
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Non Operating	\$ (14,184,484)	\$ (15,368,700)	1,184,216	-8%	\$ (13,519,882)	\$ (664,602)	5%
Net Income	\$ 15,416,133	\$ 6,058,579	9,357,554	154%	\$ 3,027,248	\$ 12,388,885	409%

Projected FY 2016 Net Income	\$ 7,366,605
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Mr. Taylor moreover provided highlights on the Budget Status YTD, as it highlights the O&M Budget. Mr. Taylor stated that in the event, that the financial results are not looking good for the year this is the area the BWL looks at first to make cuts or adjustments to help finish the year better. Fuel is excluded because it is driven by generation needs and cannot be controlled in the same manner as the other costs. The Capital budget has an impact on cash flow for the year and the BWL wants to be able to monitor progress throughout the year on capital spending.

Budget Status YTD

O&M Budget YTD (excluding fuel)

Actual YTD	YTD Budget	Difference	%
\$ 54,685,692	\$ 62,422,055	(7,736,363)	-12%

Capital Budget YTD

Actual YTD	YTD Budget	Difference	%
\$ 15,719,630	\$ 24,176,683	(8,457,053)	-35%

Furthermore, Mr. Taylor reviewed the Adjusted Net Income Return Section of the budget as it shows how the BWL is doing relative to our overall target of 6.18% approved by the Board. The return has two primary purposes; the first is to cover the cost of bond interest expense and the second is to have funds available to replace fixed assets as they reach the end of their useful life.

Adjusted Net Income Return

Actual YTD	YTD Budget	Target
2.94%	1.66%	6.18%

*Adjusted Net Income Return - Actual YTD Net Income increased for interest expense
Net Fixed Assets + Inventory*

There was an extensive discussion, with Commissioner Alley concluding that there are lots of ways to get to the 6.18% target rate, as it can be a combination of raising rates and cutting costs. Commissioner Alley expressed interest in continued benchmarking to show whether the BWL is running as efficiently as it should be.

There was discussion regarding the established Net Income Rate on Return percentage and the desire to discuss the reassessment of the percentage at a future meeting.

Internal Audit Open Management Responses

Heather Shawa-DeCook, Chief Financial Officer (CFO) provided an update on the Management's response to Internal Audits. Ms. Shawa-DeCook covered the following issues and its status:

STATUS OF MANAGEMENT RESPONSES TO INTERNAL AUDITS AS OF 12/31/15
In Accordance with Board Resolution #2014-07-05

Open Issues:

12	Record Retention	Internal Audit found that records on hand did not always correspond with the Record Retention Schedule; namely, a portion of I-9 forms and some asbestos bills of lading.	March 2014	Human Resources	I-9 forms are on file for all active employees, with the exception of three employees with situations expected to be resolved by early January 2016. An appropriate retention schedule for the asbestos bills of lading will be determined and updated as part of the overall review of the Record Retention Schedule. Enterprise Content Management anticipates an updated schedule will be provided for executive management review by 1/31/16, followed by filing for State Administrative Board approval. The State of Michigan approval process is expected to take approximately three months.
13	Record Retention	The Internal Auditor determined that records on hand in departments did not always correspond with the Record Retention Schedule.	March 2014	Enterprise Content Management	Enterprise Content Management is reviewing the existing Record Retention Schedule with the appropriate departments and cataloging all proposed revisions. It is anticipated that an updated schedule will be provided for executive management review by 1/31/16, followed by filing for State Administrative Board approval. State of Michigan approval process is expected to take approximately three months.
17	Close the Books	The Internal Auditor recommended that consideration be given to the use of a general accounting manual.	August 2014	General Accounting	A General Accounting Procedure Manual is being developed, with expected completion by 12/31/16.
26	Management of Mobile Devices	The Internal Auditor noted that guidelines for mobile device management should be documented.	Sept 2015	Information Technology	Documentation of guidelines on the use of mobile devices continues, with anticipated completion moving from 12/31/15 to 3/31/16, due to a preliminary review by the Enterprise Technology Team determining the need for further refinement.
27	Management of Mobile Devices	The Internal Auditor recommended encrypting data on all remaining laptops and smart phones.	Sept 2015	Information Technology	Data on any mobile devices in need of encryption can and will be identified once the mobile device usage guidelines referred to under issue #26 have been established. Completion by 6/30/16 is anticipated.
28	Management of Mobile Devices	Internal Audit questioned whether contract terms and conditions covering data loss and manipulation are sufficient.	Sept 2015	General Counsel	Updated procurement policy was approved by the Board on 11/17/15. Procurement procedures can now be accordingly updated. A full review of procurement procedures is underway, with a new anticipated completion date of 4/1/16 (previously 12/31/15). The new date is to allow sufficient time for a thorough review of the procedures, from the date updated policy was available (which was later than originally anticipated).

29	Management of Mobile Devices	Internal Audit recommended further consideration of procuring software with remote cleaning capabilities.	Sept 2015	Information Technology	Once any data accessed via mobile devices is determined to be in need of encryption (i.e., once issue #27 is addressed), it can be determined to what extent procuring and implementing software with remote cleaning capabilities would be cost-beneficial. It is anticipated that this issue will be addressed by 6/30/16.
30	Management of Mobile Devices	Internal Audit recommended disabling data ports on mobile devices.	Sept 2015	Information Technology	Any needed disabling of data ports will be complete by 6/30/16.
31	Outage Management System	The Internal Auditor found that procurement procedures regarding technical evaluation during the RFP process need clarification.	Oct 2015	Purchasing	Updated procurement policy was approved by the Board on 11/17/15. Procurement procedures can now be accordingly updated. A full review of procurement procedures is underway, with a new anticipated completion date of 4/1/16 (previously 12/31/15). The new date is to allow sufficient time for a thorough review of the procedures, from the date updated policy was available (which was later than originally anticipated).
33	Outage Management System	The audit recommended more specific test criteria, testing performed by the call processing vendor, development of test scripts, and a narrative of test results.	Oct 2015	Information Technology	Management is consulting with an industry expert to review and validate the OMS stress test template. Due to difficulty retaining a qualified vendor, our targeted completion is changing from 12/31/15 to 6/30/16.
34 NEW	Training & Development	Internal Audit supports plans for a new database for tracking training and use of standardized criteria for periodic training course review and training of trainers, on an organization-wide basis.	Dec 2015	Organizational Training & Development	An action plan to fully centralize training processes is expected to be in place by 3/1/16, including implementation of a new "LMS" database and training course review process.
35 NEW	Training & Development	Employee time which can be categorized as a form of training time is not always identified for inclusion in the Employee Development balanced scorecard measure.	Dec 2015	Organizational Training & Development	Refresher training on the proper procedures for reporting training time will be provided to training staff by 3/1/16. In addition, management will consider including plant orientation and on-the-job training in the Employee Development balanced scorecard measure.
36 NEW	Training & Development	End-of-course evaluations are not always completed by attendees and Organizational Training & Development does not always provide a written summary analysis of evaluations back to trainers, particularly if there are no suggested improvements to consider.	Dec 2015	Organizational Training & Development	Refresher training including review of expectations for course evaluation/feedback processes will be provided to all trainers by 3/1/16.

Closed Issues (since 10/30/15 report): None

Ms. Shawa-DeCook stated that Records Retention Open issues numbers 12 and 13 have been extended until end of January, at which time the executive team will receive the same for review, at which time the State of Michigan will review and approve which typically is a 90+ day process.

There has been no change on item number 17, Use of General Accounting Manual. Staff is expecting to have this by the end of calendar year 2016.

Ms. Shawa-DeCook stated that open issue items 26 through 30, are related to management of mobile devices, recommendations were specifically for determining and documenting guidelines for mobile devices. Staff is in process of developing this; however, it is likely that an extension until end of March for completion will be necessary.

Open issues item numbers 31 and 32 are related to the Outage Management system. Key items recommended were to update procurement procedures, which are currently in place; however, an extension to have an update is needed until April 1st.

Open Issue items 34 through 36 are related to Training and Development, with audit recommendations to fully centralize training process, documentation and records. The BWL is in process of implementing Learning Management System (LMS), which should be online in March. Additionally, staff is working on proper recording of training time; with refresher training so all employees understand requirements.

Commissioner Zerkle raised the question about the 90-day limit for management responses to audit recommendations that she stated is required by Resolution. In response, Internal Auditor Perkins stated that he would research the issue and report to the Commissioner any needed clarifications.

Public Comment

None

Other

General Manager Peffley congratulated Ms. Lori Pung on her promotion of Manager of General Accounting.

Excused Absence

Motion by Commissioner Louney, Seconded by Commissioner Price, to excuse Commissioner Non-Voting Member Nelson from tonight's meeting.

Adjourn

On Motion by Commissioner Price, Seconded by Thomas, the meeting adjourned at 8:43 p.m.

Respectfully submitted
Ken Ross, Chair
Finance Committee

MANAGER'S RECOMMENDATIONS

RESOLUTION 2016-01-01

Amending Appointments to the Michigan Public Power Agency

WHEREAS, George Stojic is the Michigan Public Power Agency (MPPA) Commissioner on behalf of the Lansing Board of Water & Light (BWL), along with Robert Lalonde and Lori Pung, who serve as First and Second Alternate Commissioners, respectively; and

WHEREAS, the Second Alternate, Lori Pung has been promoted to the position of Manager of General Accounting; and

WHEREAS, it is appropriate and in the best interest of the BWL to name a replacement for the Second Alternate MPPA Commissioner position.

NOW, BE IT RESOLVED, that George Stojic will remain as the MPPA Commissioner on behalf of the BWL, along with Robert Lalonde as the First Alternate Commissioner.

FURTHER RESOLVED, that Constance Carantza is named as the BWL's Second Alternate MPPA Commissioner.

Motion by Commissioner Ross, Seconded by Commissioner Mullen, to approve the Manager's Recommendation for Amending Appointments to the Michigan Public Power Agency.

Action: Motion Carried

UNFINISHED BUSINESS

There was no Unfinished Business

NEW BUSINESS

BWL Chairperson Price stated that due to Mayor's State of the City Address rescheduled for March 22, 2016, the same day as BWL's next Regular Board meeting, he would like to propose an earlier start time for Board meeting.

Motion by Commissioner Mullen, Seconded by Commissioner McCloud, to approve a motion to reschedule the start time of the March 22, 2016 Board of Commissioners Regular Board Meeting to 5:00 p.m.

Action: Motion Carried

RESOLUTIONS

There were no Resolutions

MANAGER'S REMARKS

General Manager Peffley provided an update to the Commissioners on the BWL water standards by stating that BWL drinking water met or exceeded all quality standards issued by the U.S. Environmental Protection Agency (EPA) and the Michigan Department of Environmental Quality (MDEQ). Additionally, the BWL is actively responding to customer and media concerns regarding water quality.

The BWL employees are donating water to Union Mission Baptist Church in efforts to help Flint with water crisis.

Commissioner Zerkle inquired as to the status of BWL's lead service replacement, to which General Manager Peffley indicated that in 2004, BWL began replacing 14,000 lead service lines, and today, fewer than 500 active lead service lines remain to be replaced.

Commissioner Zerkle furthermore inquired whether sensitive population, such as household with young children are deemed a priority in lead replacement, to which General Manager Peffley responded that the BWL verified that no schools in its service territory have lead service lines. In addition, all lead services to licensed day cares have been replaced, as well as households with sensitive populations are moved to top of the list for replacement.

Commissioner Ross inquired whether the BWL supplies water to East Lansing Elementary Schools, to which General Manager responded that BWL supplies a very small percentage to East Lansing as part of a wholesales agreement.

COMMISSIONERS' REMARKS

Commissioner Nelson noted that Janice Beecher has an annual regulatory conference on Feb 26th 2016 at the Kellogg Center in East Lansing, and encouraged all Commissioners to attend.

PUBLIC COMMENTS

There was no Public Comment

ADJOURNMENT

On motion by Commissioner Thomas, Seconded by Commissioner Mullen the meeting adjourned at 5:46 p.m.

M. Denise Griffin, Corporate Secretary

Preliminary Minutes filed (electronically) with Lansing City Clerk
Official Minutes filed (electronically) with Lansing City Clerk:

Denise Griffin

From: noreplylbwl@lbwl.com
Sent: Wednesday, February 03, 2016 12:44 PM
To: Denise Griffin
Subject: Water concerns

PLEASE DO NOT REPLY TO THIS MESSAGE

Data from form "E-mail BWL Commissioners" was received on 2/3/2016 12:43:35 PM.

This message was received from the external Commissioner web page (the sender was anonymous).

Field	Value
To	All Commissioners
Name	Angela Sorrells Jones
Address	2415 Springdale Drive
email	sorrell1@msu.edu
E-mail Subject	Water concerns
Message	Hello with the water issues in Flint, what is BWL doing to ensure that we won't have those same issues with our water.

Email "Water concerns" originally sent to mdg@lbwl.com from noreplylbwl@lbwl.com on 2/3/2016 12:43:35 PM.

Denise Griffin

From: noreplylbwl@lbwl.com
Sent: Wednesday, February 17, 2016 11:36 AM
To: Denise Griffin
Subject: new LBWL substation location

PLEASE DO NOT REPLY TO THIS MESSAGE

Data from form "E-mail BWL Commissioners" was received on 2/17/2016 11:35:53 AM.

This message was received from the external Commissioner web page (the sender was anonymous).

Field	Value
To	All Commissioners
Name	Lisa Parker
Address	116 East Willow Street, 48906
email	ldvparker@icloud.com
E-mail Subject	new LBWL substation location
Message	<p>Commissioners, I am contacting you seeking information about the Lansing Board of Water and Light Proposed Substation to be located in Scott Park at the confluence of the Red Cedar and Grand Rivers. The LBWL has announced the location "after an exhaustive search" - I am finding it difficult to believe that the industrialization of a park is the best option, considering the amount of industrial lands that surround the new LBWL power plant. Rather, it appears that the City of Lansing is seeking a solution to budget problems through the privatization of Public Park Lands. Here is a link to the google map of the area: https://www.google.com/maps/@42.7213581,-84.5492475,1218m/data=!3m1!1e3 Both the LBWL and the Lansing State Journal are putting this forward as a done deal and LBWL has claimed that the old Scott House in the park, currently owned by the City and underutilized, has "no historical value". Further, the loss of the 85 year old 'sunken garden' cannot be so casually disregarded. LBWL claims that they will move the garden and reestablish it, yes, really. Also of consideration is the importance of the lands surrounding the confluence of rivers to the Native American community. It is probable that these lands along the Red Cedar and Grand Rivers were used by the Michigan tribes prior to the influx of Europeans. I could not find any research done on this topic locally to support this assertion so I will submit the position that nationwide, Native American settlements in similar waterfront regions is historically, archeologically established (Colorado and Little Colorado Rivers - Mississippi, Missouri, and Illinois to name two such sites). Is the position of the Lansing Board of Water and Light office immovable? I understand from the LBWL press release and the story in the Lansing State Journal that the City will receive "improvements" allowing for the continued recreational use of this site but perhaps this is not enough to compensate for the loss of green space. Is it possible to find another solution? Further industrialization of prime lands on the Grand River would be more of the same - can't we as a community instead re- envision this space? Facebook - where I was informed of this development - is teeming with innovative re-use ideas, including a waterfront dining/brew pub establishment. This idea in particular bears more attention. Further adaptive</p>

Field	Value
	<p>reuse of the Reo Town neighborhood that included a waterfront option might be just the anchor needed to firmly establish an economic resurgence in this area. The city as a whole seems to support a great deal of 'patio gathering space' - much of it looking over street and parking areas - think how wildly popular a riverfront dining establishment would be! Cities all around the nation are moving towards opening their waterfront zones for entertainment, not industry - please consider the wisdom of following this trend, rather than development on a model that is historically outdated and backward thinking. Looking forward to your response and support of re-thinking the use of the Scott Park for industrial development - respectfully, Lisa Parker ward 4, precinct 40 resident at 116 East Willow Street, 48906.</p>

Email "new LBWL substation location" originally sent to mdg@lbwl.com from noreply@lbwl.com on 2/17/2016 11:35:53 AM.

Denise Griffin

From: noreplylbwl@lbwl.com
Sent: Friday, March 04, 2016 10:49 AM
To: Denise Griffin
Subject: BWL flooded my house with 105,648 gallons of water.

PLEASE DO NOT REPLY TO THIS MESSAGE

Data from form "E-mail BWL Commissioners" was received on 3/4/2016 10:48:32 AM.

This message was received from the external Commissioner web page (the sender was anonymous).

Field	Value
To	Dennis Louney
Name	Bruce Ardelean
Address	526 s fairview ave
email	ardelean319@gmail.com
E-mail Subject	BWL flooded my house with 105,648 gallons of water.
Message	<p>Dear Mr. Louney, My name is Bruce Ardelean Jr. I am reaching out to you today 3/4/16 to inform you of an incident that took place at my property 526 S Fairview ave lansing, MI 48912. Back on June 12th 2015 BWL came out to my property to turn electricity and water on, at this time they realized there was still lead going into my house and wanted to remove and replace it. On June 15th the crew came out to 526 S Fairview and started tearing up the old lead service and replaced it, they also put a new meter and shut off in the basement of my house. When the techs turned the water on we had realized there was an elbow in the basement that was leaking and we were about to remove the kitchen and modify plumbing so the water order was canceled on June 15th 2015. From June 15th 2015 to January 4th 2015 there was no water consumption at the property. On January 27th 2016 at approx 11:30 I went to 526 S Fairview to shovel and salt the sidewalk and driveway. As I got closer to the house shoveling the driveway I could hear a waterfall in the basement of my house I quickly grabbed the key and opened to door to walk into enormous amounts of damage. I went to the basement and there was 3ft of standing water and I could see water spraying from the corner of my basement where the new water meter and shutoff was installed. I then quickly called BWL. As I contacted someone from the water shutoff department I was quickly told multiple times this water was not BWL'S water and there was now way it could be their water because I was not a water customer. I was then transfered and again told by another BWL worker that my basement foundation must be leaking because I9 was not a water customer after disagreeing and telling her there's no way because I can see water spraying out of the wall I then asked for a supervisor. As the supervisor got on the phone the supervisor then began to tell me that I must have a sewer back up because again I was not a water customer. After arguing for about 45 minutes with 3 different BWL employees I was then told someone would be sent out to see what was going on. As the BWL technicians arrived I began recording the whole situation with my cell phone. The techs asked me if I had a sewer back up and I told them no your water is pouring into my house. The techs said on the way to my house they looked me up and I was not a water customer so I asked them to come with me so I could</p>

Field	Value
	<p>show them what was going on. As the techs and I got to the basement the one tech stated "holy shit man you're not joking" because there was 3ft of standing water and water spraying all over in the corner by the water meter. As I was still recording the techs went to the street and sure enough my water was turned on at the street. As they turned the water shutoff at the street off the water stopped flowing into my house. I was told to submit a claim to BWL which I did. At first Mr. Oleszczak stated multiple times I was responsible for the water and sewage usage of 105,648 gallons which I never authorized. Mr. Oleszczak came out the house on January 28th and stated that their system had just been flagged because I was not a water customer for the enormous amount of water usage. After feeling like I was just being pushed around and not taken seriously I contacted Judy Putnam of the Lansing State Journal. After Judy contacted Steve Serkian Judy and myself were told because I was not the customer of record for the property and that BWL was the customer of record I would not be charged for water and sewage usage. There is an enormous amount of damage done to my property. Serve pro a water restoration company has quoted me \$30,412.34 just to mitigate the mold.that's not to replace anything that has been damaged. The professional from serv pro stated they can not tell how much damage is done until a environmentalist can come to the house to test the mold. Because of that serve pro instructed me to put \$100,000 on the claim form and that the estimates would follow once we could get the environmentalists in there. I can not afford to do all of this as I had \$23,000 already wrapped up into the house that is now destroyed. After submitting all the evidence BWL denied my claim stating that there was not sufficient evidence. Also now theyre are trying to say that because I allowed them to remove and install new equipment at my property that makes me a water customer. This is very contradicting because I was told by over six BWL employees I was not a water customer. Also Mr. Serkian told LSJ and myself I was not the customer of record. I don't understand how they can sit on both sides of the fence and manipulate things to go into their favor. Also I asked Mr. Oleszczak why I was never given one of these rules and regulations packets when I first agreed to their service and Mr. Oleszczak said because you were not a water customer only electric. So how can they try and twist things and now state I was denied bease I was a water customer? We the people are held accountable for multiple things in your rule book but when BWL destroys an innocent man's house were is their accountability? It's clear as day and I still have the recording of BWL having to turn my water off on January 27th because someone from BWL neglected to so their job so how is this being pushed onto me? I understand things happen and that's why I have given BWL the chance to make things right but they only make thier company look worse and worse by the day. There is alot more to this story that I would like to share with you Mr. Louney if you could call me at 517-712-4594 that would be greatly appreciated!</p>

Email "BWL flooded my house with 105,648 gallons of water." originally sent to mdg@lbwl.com from noreplylbwl@lbwl.com on 3/4/2016 10:48:32 AM.

Denise Griffin

From: noreplylbwl@lbwl.com
Sent: Thursday, February 04, 2016 7:07 PM
To: Denise Griffin
Subject: Personal use of BWL vehicle #179

PLEASE DO NOT REPLY TO THIS MESSAGE

Data from form "E-mail BWL Commissioners" was received on 2/4/2016 7:07:20 PM.

This message was received from the external Commissioner web page (the sender was anonymous).

Field	Value
To	All Commissioners
Name	Sparrow Hospital Parking
Address	Sparrow Main Campus 1215 Michigan Avenue
email	security@sparrow.org
E-mail Subject	Personal use of BWL vehicle #179
Message	GMC White Pick-up, license plate no. 003 316, vehicle no 179 was brought into the main Sparrow campus and parked illegally in the fire lane. The driver stated he was visiting a friend in the hospital. The vehicle contained an on-board computer that probably contains sensitive customer information. This computer was on and running. The driver wanted to leave the keys to this vehicle with Sparrow parking attendants.

Email "Personal use of BWL vehicle #179" originally sent to mdg@lbwl.com from noreplylbwl@lbwl.com on 2/4/2016 7:07:20 PM.



Improving the health of the people in our communities by
providing quality, compassionate care to everyone, every time

February 22, 2016

Mr. Dravenstatt-Moceri,

My name is Jerry Dumond, Interim Director of Security and Parking, and I would like to issue you an apology on the behalf of the Parking department and Sparrow. First and foremost the individual who filed this complaint was acting outside of his duties and is in no way representative of the behaviors that I would expect towards a guest of Sparrow Hospital. I have interviewed the individual involved in this erroneous complaint and am addressing the issue appropriately.

I also do underestimate the difficulty you have faced based on this complaint and I will contact the individuals who need further information from this incident to clarify. If you need any further assistance in this matter please contact me directly or through email (listed below).

Sincerely,

A handwritten signature in black ink, appearing to read 'Jerry Dumond', with a long horizontal line extending to the right.

Jerry Dumond
Interim Director, Security and Parking
Sparrow Hospital
(517) 364-2654
Jerry.dumond@sparrow.org

cc: Dick Peffley
David Price

COMMITTEE OF THE WHOLE
March 8, 2016

The Committee of the Whole of the Lansing Board of Water and Light met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, March 8, 2016.

Committee of the Whole Chair Dennis M. Louney called the meeting to order and asked the Corporate Secretary to call the roll.

Present: Commissioners Dennis M. Louney, Mark Alley, Anthony McCloud, Tony Mullen, David Price, Ken Ross and Tracy Thomas, Sandra Zerkle and Non-Voting Members: Michael Froh (Meridian Township), Bill Long (Delta Township) and Robert Nelson (East Lansing).

Absent: None

Corporate Secretary declared a quorum.

Public Comments

None

Approval of Minutes

Motion by Commissioner Price, Seconded by Commissioner Thomas to approve the Committee of the Whole meeting minutes of January 12, 2016.

Action: Motion Carried

Communication with Local Entities

Committee Chair, Louney introduced the discussion regarding communication with local government entities within the BWL service territory.

There was an extensive discussion regarding potentially establishing one special meeting per year for local governments within BWL service territory to come to attend. In conclusion, it was decided that Committee Chair will come up with new language and bring it back to the Board for consideration.

Records Retention Schedule Update

General Manager Peffley introduced Heather Shawa-DeCook, Chief Financial Officer, who provided a brief background on the Records Retention Policy and its five year review process. Ms Shawa De-Cook also introduced Jerry Flore, Manager of Enterprise and Content Management, who provided answers to specific questions.

In conclusion, Commissioner Ross requested that BWL Management provide a reference of policies that were removed and not replaced in the proposed Records Retention Policy.

Motion by Commissioner Price, Seconded by Commissioner McCloud to approve the Records Retention Schedule Update and forward to the full Board for consideration.

Action: Motion Carried

Safety Presentation

General Manager Peffley and Michael Flowers, Executive Director of Human Resources introduced Scott Bellack, Senior Vice President for Marsh, who walked the Board through the Safety Presentation and answered specific questions.

Mr. Bellack stated that Marsh was brought in as an outside third party to do a comprehensive review of BWL’s safety procedures and to evaluate the holes in the system that were contributing to losses or to unsafe physical environment, and offer recommendations on how we might close those gaps.

Mr. Bellack moreover stated that Marsh looked at six major categories and four Key Performance Indicators (KPIs), including how involved is senior leadership, how engaged are the employees, what types of programs there are, what’s the foundation of the safety programs that BWL has and, what happens if there’s a failure in that system.

Mr. Bellack stated that Marsh’s report can be interpreted through a color factor: *blue* means top performing; *green* means functional; *yellow* means improvement opportunities, and *red* means development opportunities. Mr. Bellack furthermore stated that throughout his career, he has performed hundreds of safety audits and has never come across one that does not have red categories, meaning BWL has a system in place, as it returned blue, green and yellow reports throughout all six major categories and four KPIs.



In conclusion, Commissioner Ross inquired whether specific steps exist that would take an organization from yellow to green category as a reference road map to get to the next level. Mr. Bellack stated that recommended steps are laid out in the comprehensive report.

Flint Water Update

General Manager Peffley provided a Flint Water Update and stated that BWL crews went to Flint to train a crew on lead service replacement, and a week later, assisted Flint with their first Lead Service Replacement.

The BWL will serve as advisors to Flint after the Flint crews have been trained. Additionally, BWL is tracking all time rendered on Flint matters and will be reimbursed at such time that Flint receives State funding so that BWL rate payers are not burdened by the costs of Flint matters.

Central Substation Update

General Manager Peffley stated that Lansing Energy Tomorrow is BWL's \$101 million T&D project to modernize BWL's T&D system, and part of that is the Central Substation. The Central Substation is to replace the Eckert generation prior to its closing in 2020. General Manager Peffley stated that the property on the corner of Malcolm X and Washington is one that is the least cost option. The BWL will put in \$4-5 million in developments such as a fishing platform, river walk extension, pathway from Capital Avenue connecting Cooley Gardens, relocating the Sunken Gardens to an area that is ADA compliant, new parking lot etc.

The BWL is working with Reo Town Association for the design and artwork for the wall around the substation, and also working with the Sunken Garden group.

Security Update

Committee of the Whole Chair Louney stated that the Administration has provided us with an Exempt Memorandum and discussion of such content is most appropriate in closed session. Is there a motion to go into closed session for the purpose of discussing the Exempt Memo as permitted by the Open Meetings Act, specifically MCL 15.268(h) and MCL 15.243(y)?"

Motion by Commissioner Alley, Seconded by Commissioner McCloud to go into closed session.

Action: **Motion Carried.**

Roll Call Vote:

Yeas: Commissioners Dennis M. Louney, Mark Alley, Anthony McCloud, Tony Mullen, David Price, Ken Ross and Tracy Thomas, Sandra Zerkle and Non-Voting Members: Michael Froh (Meridian Township), Bill Long (Delta Township) and Robert Nelson (East Lansing).

Nays: None.

Action: **Motion Carried.**

The Committee of the Whole went into closed session at 7:10 p.m. Committee of the Whole reconvened to open session at 8:03 p.m.

Public Comment

None

Other

There was discussion regarding BWL's participation in Public Act 95 a low income energy assistance program. It was agreed after much discussion that this matter would be discussed in a Finance Committee meeting at a later date.

Excused Absence

None

Adjourn

On Motion by Commissioner McCloud, Seconded by Commissioner Price, the meeting adjourned at 8:15 p.m.

Respectfully Submitted
Dennis. M. Louney, Chair
Committee of the Whole

FINANCE COMMITTEE

March 8, 2016

The Finance Committee of the Lansing Board of Water and Light met at the BWL Headquarters – REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 8:21 p.m. on Tuesday, March 8, 2016.

Finance Committee Chairperson Ken Ross called the meeting to order and asked the Corporate Secretary to call the roll.

Present: Commissioners Ken Ross, Dennis M. Louney, Tracy Thomas, David Price. Also, present Commissioners Mark Alley, Tony Mullen, and Non-Voting Members Michael Froh (Meridian Township), Bill Long (Delta Township).

Absent: None

The Corporate Secretary declared a quorum.

Public Comments

None

Approval of Minutes

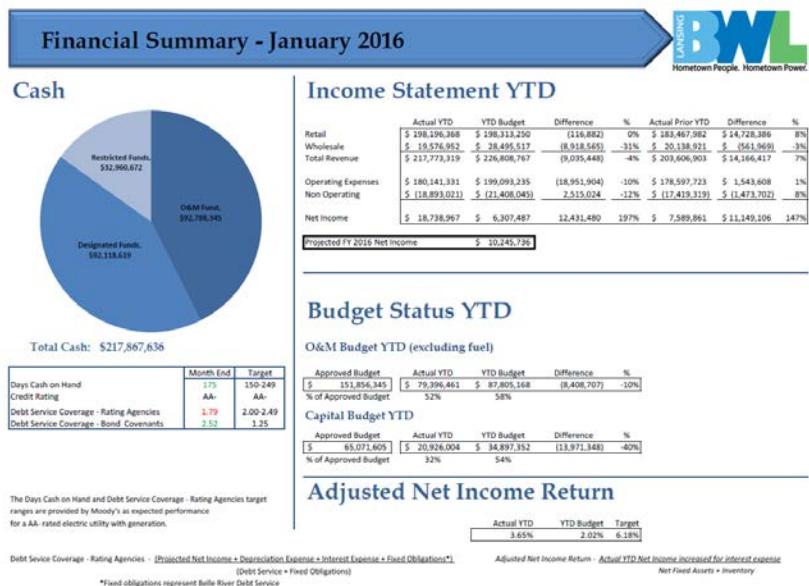
Motion by Commissioner Price, Seconded by Commissioner Louney, to approve the Finance Committee meeting minutes of January 12, 2016.

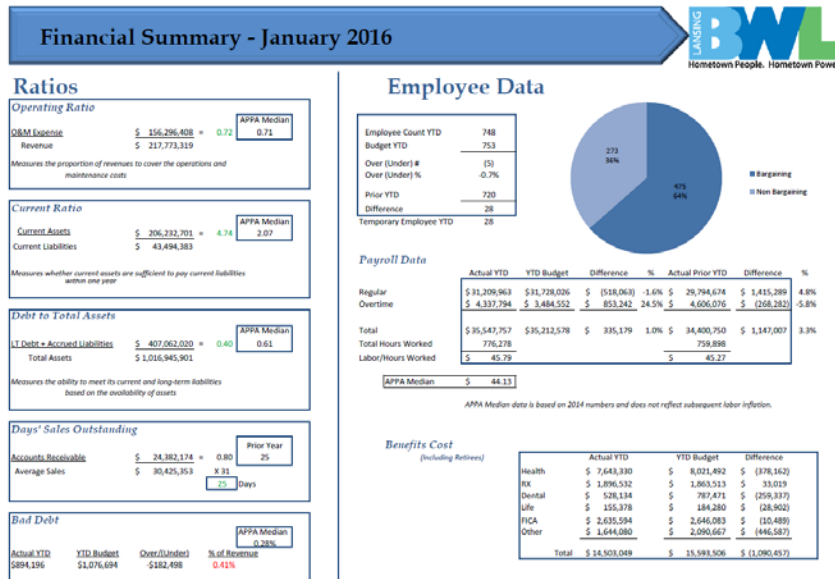
Action: Motion Carried

Financial Update

Heather Shawa-DeCook, Chief Financial Officer (CFO) discussed BWL’s January 2016 YTD Financial Summary, covering the following:

- Cash
- Income Statement YTD
- Budget Status YTD
- Adjusted Net Income Return
- Ratios
- Employee Data





CFO Heather Shawa-DeCook stated per board policy 15-02 (Capital Project Approval), any approved capital project that is expected to exceed its total budgeted amount by both 15% and \$200,000 or more must have the exceedance approved by the Commissioners prior to completion of the project. Ms. Shawa-DeCook stated that there is a project expected to hit the criteria of the mentioned policy. The project is a video surveillance monitoring system and additional security for the Dye Water Complex. There is a request for supplemental money of \$240,000. The supplemental request would authorize a \$400,000 project be increased up to \$640,000 in order to complete the project this fiscal year. Ms. Shawa-DeCook stated that she would be requesting the Board of Commissioners' approval of a resolution pursuant to the policy and that a resolution would be presented at the upcoming Regular Board meeting on March 22, 2016.

Motion by Commissioner Price, Seconded by Commissioner Thomas to support a Resolution to approve a supplemental appropriation request from the Administration in the amount \$240,000 for the current fiscal year Capital Budget.

Action: Motion Carried

General Manager Peffley stated that he has encouraged his staff to review and provide honest estimates on capital project and as a result more exceedance reporting may be forth coming.

Budget Process Update

CFO Heather Shawa-DeCook reported that the O&M and Capital budgets have been submitted and that department managers and executives will start reviewing those budgets next week with Finance. The management team and the directors have really taken a proactive step at meeting on their own and going through the overall capital budget and working amongst themselves to prioritize for this upcoming fiscal year.

Financial Summary Section Overview

Scott Taylor, Manager of Finance, provided a detailed review of the Ratios section of the Financial Summary. Mr. Taylor stated that roughly 83% of the operations are attributable to electric service and that the Board of Water & Light (BWL) has found that the American Public Power Association (APPA) ratios provide the best

measure for a company-wide perspective. The APPA utilities have other utilities, which provides the BWL with the best picture from an overall view and that is what is seen in most of our comparisons. Mr. Taylor stated that additional meaningful comparisons and information may be available from the American Water Works Association (AWWA) and may be included in future reporting if appropriate.

Ratios

Operating Ratio			APPA Median
O&M Expense	\$ 156,296,408	= 0.72	0.71
Revenue	\$ 217,773,319		
<i>Measures the proportion of revenues to cover the operations and maintenance costs</i>			

Current Ratio			APPA Median
Current Assets	\$ 206,232,701	= 4.74	2.07
Current Liabilities	\$ 43,494,383		
<i>Measures whether current assets are sufficient to pay current liabilities within one year</i>			

Debt to Total Assets			APPA Median
LT Debt + Accrued Liabilities	\$ 407,062,020	= 0.40	0.61
Total Assets	\$ 1,016,945,901		
<i>Measures the ability to meet its current and long-term liabilities based on the availability of assets</i>			

Days' Sales Outstanding			Prior Year
Accounts Receivable	\$ 24,382,174	= 0.80	25
Average Sales	\$ 30,425,353	X 31	
			25 Days

Bad Debt				APPA Median
Actual YTD	YTD Budget	Over/(Under)	% of Revenue	0.28%
\$894,196	\$1,076,694	-\$182,498	0.41%	

There was discussion with Commissioners and the staff regarding the Bad Debt portion of the Ratio presentation and what components make up the bad debt.

External Audit RFP and Staff Recommendations/Resolution

Heather Shawa-DeCook, Chief Financial Officer (CFO) presented the committee with a proposed resolution recommending Accounting and Advisory Firm of Baker Tilly as the new external auditors for fiscal years 2016-2020.

PROPOSED RESOLUTION

Lansing Board of Water & Light External Auditor Recommendation

WHEREAS, Lansing City Charter Section 3-404.1 requires an independent audit of all accounts of the City government, including the Board of Water and Light (BWL), at the close of each fiscal year, and all such audits shall be made by a Certified Public Accountant designated by the City Council; and

WHEREAS, BWL staff engaged in its normal public procurement process for the purpose of soliciting and evaluating proposals from a variety of independent public accounting firms that have municipal utility audit experience to perform an audit of the BWL as required by Lansing City Charter Section 3-404 for fiscal years ending June 30 on the following respective years: 2016, 2017, 2018, 2019, and 2020; and

WHEREAS, based on the public procurement evaluation of the proposals received, the BWL staff recommends the firm of Baker Tilly to perform these BWL audits; and

RESOLVED, that the Board of Commissioners support BWL staff's recommendation;

FURTHER RESOLVED, the Board of Commissioners recommends that Lansing City Council approve and designate Baker Tilly to perform the annual financial audit for each of the fiscal years ending June 30 on the following respective years: 2016, 2017, 2018, 2019, and 2020 in accordance with Lansing City Charter 3-404.1; and

FURTHER RESOLVED, that the Corporate Secretary is hereby directed to submit this resolution on behalf of the Board of Commissioners to City Council requesting their approval of Baker Tilly as recommended by the Board of Commissioners.

Staff Comments: BWL staff has used their municipal utility industry knowledge and expertise to search for and evaluate qualified firms. Based on the results of this search, staff provides this recommendation for consideration of the Board and, if approved, the City Council.

Finance Chair Ross for clarification purposes stated that if the Finance Committee recommended the approval to forward the proposed resolution to the full Board of Commissioner and then the full Board approves it, it would then be forwarded to the Lansing City Council for consideration and approval as well. To recap, we (the BWL) will be switching our independent auditors from Plante Moran, a local firm, to Baker Tilly, a national firm that specializes in the utility industry. We will pay a little more due to travel cost, but will be able to take advantage of their specialized professionals, who possess a much deeper utility focus and expertise.

Motion by Commissioner Louney, Seconded by Commissioner Price, to forward the proposed resolution for the External Auditor selection to the full Board for consideration.

Action: Motion Carried

CFO Heather Shawa-DeCook stated that the BWL has had the same External Auditors for 15 years and that with everything coming down the pipeline (IRP/T&D build-out), it would be very helpful with the utility practice expertise.

Internal Audit Status Report

Phil Perkins, Internal Auditor, provided the Committee with an overview of the FY 2016 Audit Plan Progress Report and the FY 2017 Audit Planning and Risk Assessment. Mr. Perkins' discussion reflected the following:

Engagements Completed:

1. Training & Development Audit
2. Hiring Process Audit
3. Surprise Cash Count #1
4. Time Reporting Reviews #1 and #2
5. Vehicle Time Reporting Review #1

Engagements Remaining:

1. IT Security Policies
2. Surprise Cash Count #2
3. Vehicle Time Reporting Review #2

Engagements in Progress:

1. IT – Change Management Audit (90% complete)
2. Selected CRT/MPSC/BWL Recommendations (90% complete)
3. Billing Audit (just underway)

Other:

1. Annual Risk Assessment/Audit Planning for FY 2017
2. Other as needed 2016

Approved FY2016 Audit Plan

Planned Audits:	Completion Status
Follow-up of Selected CRT/MPSC/BWL Recs.	90% complete
Billing	Started 3/16
IT – Information Security Policies	Est Start 4/16
Training & Development	Complete
Hiring Process (replaced Safety Mgt)	Complete
IT – Manage Changes	90% complete
Other Engagements:	
Surprise Cash Counts (2)	1 of 2 completed
Time Reporting Reviews (2)	2 of 2 completed
Central Maintenance & Fleet Vehicle Time Reporting	1 of 2 completed
Other Consulting (NERC/CIP Compliance, IRP/Strat Plan)	No engagements to date

FY 2017 Audit Planning & Risk Assessment

1. Meeting with Executives and Staff to discuss risk and potential audit topics.
2. Risk assessment for each 100-plus auditable activities at the BWL.
3. Consideration of rotational audits, audit areas with risk/scoping assessment, first time audits etc.
4. Draft audit plan will be presented at May or July Finance Committee meeting for approval.

Board Chair David Price stated that the City Council has reached out to the BWL's Internal Auditor for advice on his job structure as they look to re-evaluate their Internal Auditors position. Board Chair Price thanked Internal Auditor Perkins for the standard that he has set and for the possibility of it being emulated by our city's government.

Public Comment

None

Other

None

Excused Absence

None

Adjourn

Meeting adjourned by Finance Chair Ross at 9:02 p.m.

Respectfully submitted
Ken Ross, Chair
Finance Committee

HUMAN RESOURCES COMMITTEE

March 15, 2016

The Human Resources Committee of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, at 5:30 p.m. on Tuesday, March 15, 2016.

Human Resources (HR) Committee Chairperson Tony Mullen called the meeting to order and asked the Corporate Secretary to call the roll. The following members were present: Commissioners Tony Mullen, Sandra Zerkle, Anthony McCloud. Also present: Commissioners Ken Ross and Non-Voting Commissioners Mike Froh (Meridian Township), Bill Long (Delta Township) and Robert Nelson (E. Lansing).

Absent: Commissioner Alley

Public Comments

None

Approval of Minutes

Motion by Commissioner McCloud, Seconded by Commissioner Zerkle, to approve the Human Resources Committee meeting minutes of November 10, 2015.

Action: Motion Carried.

Cafeteria and Post Retirement Benefit Plan Update/Proposed Amendments Resolution

General Manager Peffley introduced Brandie Ekren, General Counsel, who provided plan update and the proposed changes on the Cafeteria and Post Retirement Benefit Plan.

Proposed Resolution

Adoption of the Amendments to the Cafeteria Plan and Post-Retirement Benefit Plan

WHEREAS, the Lansing Board of Water and Light (the "BWL") maintains the Lansing Board of Water and Light Cafeteria Plan (the "Cafeteria Plan'1) and the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light (the "Post-Retirement Benefit Plan"), for the benefit of certain of its employees and retirees; and

WHEREAS, the BWL desires to amend the Cafeteria Plan (for certain technical regulatory changes) and the Post-Retirement Benefit Plan (for certain plan design changes for consistency with Plan operations and administration).

NOW THEREFORE, the BWL does hereby authorize, approve and adopt the following resolutions:

RESOLVED, that the Amendment and Restatement of the Cafeteria Plan (as of February 1, 2016, in the form attached hereto) is hereby adopted and approved; and
BE IT FURTHER RESOLVED, that the Amendment and Restatement of the Post-Retirement Benefit Plan (as of February 1, 2016, in the form attached hereto) is hereby adopted and approved; and

BE IT FURTHER RESOLVED, that the officers of the BWL, and their designee(s), are hereby authorized and directed to take such actions and to implement and execute such documents and instruments (including the amendments referenced above as well as ancillary documentation) as necessary or desirable to effectuate the intent of these resolutions.

Commissioner Ross stated that he submitted some question concerning today's Agenda items. Legal Counsel Ekren advised that she would be immediately providing written responses to the submitted questions.

Motion by Commissioner McCloud, Seconded by Commissioner Zerkle, to forward the proposed resolution for Adoption of the Amendments to the Cafeteria Plan and Post-Retirement Benefit Plan to full Board for consideration.

Action: Motion Carried.

Defined Contribution Plan Update/Proposed Amendment Resolution

Brandie Ekren, General Counsel, provided an update to the Defined Contribution Plan for the general employees and for board appointed employees. Ms. Ekren stated that the major proposed change to the plan is to allow individuals who are on military leave to accrue Defined Contribution payments, opposed to receiving pension contribution at the time of return from military leave.

The second change is concerning the board appointed plan, which removes the General Manager from the plan.

Proposed Resolution
Restated and Amended Defined Contribution Plan
With International City/County Management Association (ICMA) Plan

Resolved, that the Board of Commissioners hereby amends and restates the ICMA Retirement Corporation Governmental Money Plan & Trust and any associated amendments provided by the two Plan Adoption Agreements for the Lansing Board of Water & Light (BWL) 401a Defined Contributions for Plan # 106696 and Plan # 108824 respectively.

Further Resolved the Plan Adoption Agreements restate the same benefits as previously adopted, with a change to the Plans that for Active duty in the Military the BWL will continue plan contributions while on Active duty.

Further Resolved that the General Manager is removed from Plan # 108824.

Further Resolved, that the Chair is hereby authorized to execute the above referenced documents on behalf of the Board of Commissioners.

Motion by Commissioner McCloud, Seconded by Commissioner Zerkle, to forward the proposed resolution for Restated and Amended Defined Contribution Plan With International City/County Management Association (ICMA) Plan to full Board for consideration.

Action: Motion Carried.

Other

None

Excused Absence

Motion by Commissioner Zerkle, Seconded by Commissioner McCloud, to excuse Commissioner Alley from tonight's meeting.

Action: Motion Carried

Public Comments

None

Adjourn

Motion by Commissioner McCloud, Seconded by Commissioner Zerkle, the meeting adjourned at 5:49 p.m.

Action: Motion Carried

Respectfully Submitted
Tony Mullen, Chair
Human Resources Committee

Proposed Resolution

Records Retention Policy and Records Retention and Disposal Schedule

WHEREAS, Michigan law (MCL 399.5 and 750.491) requires that all public records be listed on an approved Retention and Disposal Schedule that identifies the minimum amount of time that records must be kept to satisfy administrative, legal, fiscal and historical needs; and

WHEREAS, the Michigan Freedom of Information Act (FOIA) (MCL 15.231-15.246) defines public records as recorded information “prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created.”

RESOLVED, the Board of Water and Light Policy 18-01 “Records, Retention” is hereby amended as follows:

The Board of Water and Light (BWL) shall only retain records during the period of their immediate use, unless a longer retention period is required by law or for internal or historical reference. A Records Retention and Disposal Schedule, as approved by this Board and the State of Michigan Records Management Services, the Archives of Michigan and the State of Michigan Administrative Board, shall specify the length of time records are to be retained. Where the BWL has knowledge that some records are or may become relevant to a legal action, such records shall not be destroyed except and until the legal issues have been resolved and with the approval of the General Counsel.

FURTHER RESOLVED, that the amended Retention and Disposal Schedule proposed by the General Manager be approved and forwarded to the State of Michigan’s Records Management Services, the Archives of Michigan and the State of Michigan Administrative Board for their approval.

State of Michigan
Records Management Services
P.O. Box 30026
Lansing, MI 48909

RECORDS RETENTION AND DISPOSAL SCHEDULE

CHECK APPLICABLE: <input type="checkbox"/> COUNTY <input type="checkbox"/> CITY <input type="checkbox"/> VILLAGE <input type="checkbox"/> TOWNSHIP <input type="checkbox"/> COURT <input type="checkbox"/> SCHOOL DISTRICT <input type="checkbox"/> OTHER	APPROVALS (SIGNATURES)	
GOVERNMENT UNIT NAME: City of Lansing, Board of Water & Light	AGENCY REPRESENTATIVE	DATE
DEPARTMENT NAME: All Departments	DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET, RECORDS MANAGEMENT SERVICES	DATE
The records described herein are deemed necessary: (1) for the continued effective operation of this agency; (2) to constitute an adequate and proper recording of its activities; and (3) to protect the legal rights of the government entity and of the people of Michigan. This Retention and Disposal Schedule meets the administrative, legal and fiscal requirements of this agency. NOTE: This schedule must be signed by all approving entities before the agency disposes of any records.	DEPARTMENT OF NATURAL RESOURCES, ARCHIVES OF MICHIGAN	DATE
	STATE ADMINISTRATIVE BOARD	DATE

ITEM NUMBER	RECORD/RECORD SERIES TITLE AND DESCRIPTION	RETENTION PERIOD
	<p>See attached Retention and Disposal Schedule.</p> <p>This schedule supersedes all agency-specific schedule previously approved for departments within the City of Lansing, Board of Water & Light. This schedule also adopts several general schedules approved by the State of Michigan.</p>	



RECORDS RETENTION AND DISPOSAL SCHEDULE

RECORDS RETENTION AND DISPOSAL SCHEDULE LANSING BOARD OF WATER AND LIGHT INTRODUCTION

Public Records

The Michigan Freedom of Information Act (FOIA) (MCL 15.231-15.246) defines public records as recorded information “prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created.”

Records Retention and Disposal Schedules

Michigan law (MCL 399.5 and 750.491) requires that all public records be listed on an approved Records Retention and Disposal Schedule that identifies the minimum amount of time that records must be kept to satisfy administrative, legal, fiscal and historical needs. Local situations may require retention beyond the periods listed, and nothing prevents an office from retaining records longer than the specified period of time. Schedules also identify when records may be destroyed, and when certain records can be sent to the Archives of Michigan for permanent preservation. Records cannot be destroyed unless their disposition is authorized by an approved Records Retention and Disposal Schedule. All schedules are approved by the Records Management Services, the Archives of Michigan and the State Administrative Board. There are two types of schedules that government agencies may use:

- A “general schedule” will cover records that are common to a particular type of government agency, such as a clerk’s office. General schedules may not address every single record that a particular office may have in its possession. General schedules do not mandate that any of the records listed on the schedule be created. However, if they are created in the normal course of business, the schedule establishes a minimum retention period for them.
- Any record that is not covered by a general schedule must be listed on an “agency-specific schedule” that will address records that are unique to a particular government agency. Agency-specific schedules always supersede general schedules. Agency-specific schedules only address the records of the agency named on the schedule, and may not be used by another agency.

Unofficial Documents

General Schedule #1 addresses the retention of “nonrecord” materials. These documents are broadly defined as drafts, duplicates, convenience copies, publications and other materials that do not document agency activities. These materials can be disposed of when they have served their intended purpose. Government agencies need to identify the “office of record” when multiple offices possess copies of the same record. The “office of record” is responsible for following the retention period that is specified, duplicates do not need to be retained. A more comprehensive definition of “nonrecords” can be found in the approved schedule (available online at http://www.michigan.gov/documents/hal_mhc_rms_GS1_local_110758_7.pdf).

Record Maintenance

Records can exist in a wide variety of formats, including paper, maps, photographs, microfilm, digital images, e-mail messages, databases, etc. The retention periods listed on this general

schedule do not specify the format that the record may exist in, because each government agency that adopts this schedule may choose to retain its records using different recording media. Government agencies are responsible for ensuring that all of their records (regardless of format) are properly retained and remain accessible during this entire retention period. All records need to be stored in a secure and stable environment that will protect them from tampering, damage and degradation. Electronic records are dependent upon specific hardware and software to be accessed and used. It is important to understand that the original technology that is used to create electronic records will eventually become obsolete. As a result, government agencies should work with their information technology staff to develop preservation plans for retaining electronic records with long-term (more than 10 years) retention requirements. Various laws (including the Records Reproduction Act, MCL 24.401-24.406) identify acceptable formats for retaining public records; agencies are responsible for understanding and complying with these laws.

Suspending Destruction

Government agencies must immediately cease the destruction of all relevant records (even if destruction is authorized by an approved Records Retention and Disposal Schedule) if they receive a FOIA request, if they believe that an investigation or litigation is imminent, or if they are notified that an audit, investigation or litigation has commenced. If relevant records exist in electronic formats (such as e-mail, digital images, word processed documents, databases, backup tapes, etc.), the agency may need to notify its information technology staff. Failure to cease the destruction of relevant records could result in penalties and/or employee discipline.

Exceptions

Requests for exceptions to the retention periods listed in this schedule should be submitted to the Manager of Enterprise Content Management and the General Counsel. They must be supported by evidence that the basic objectives of the exception will be met. Exceptions shall not be routinely granted, as it is vital to the proper and efficient use of the schedule to have routine destruction of documents and to avoid the inference of improper destruction. If for any reason it is felt that a document should be retained due to a previously unforeseen circumstance, the General Counsel must be consulted. When litigation or investigations occur, the General Counsel will notify the appropriate departments and direct that relevant categories of documents be held for retention until further notice. The General Manager may exempt from destruction documents he has created or received that he determines constitute historical or strategic value to the Board of Water and Light.

HAL Can Help!

The State of Michigan Records Management Services is available to assist government agencies with their questions about record retention and acceptable recording media. Agencies may contact the Records Management Services at (517) 335-9132. Additional information is also available from the Records Management Services' website <http://www.michigan.gov/recordsmanagement/>, including records management manuals, general schedules, e-mail retention guidelines, microfilming standards and digital imaging standards, etc.

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****DISCLOSURE: THE TABLE OF CONTENTS IS SUBJECT TO CHANGE ONCE TEXT IN THIS SCHEDULE THAT IS MARKED TO BE DELETED OR REVISED IS APPROVED BY THE STATE OF MICHIGAN'S DIRECTOR OF RECORDS MANAGEMENT SERVICES, THE ARCHIVIST OF MICHIGAN AND THE STATE OF MICHIGAN ADMINISTRATIVE BOARD.**

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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General Administrative Records

Note: These records may be found in any department. This section applies to all departments.

100	<u>Subject Files</u>	ACT+5
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These records are used to support administrative analysis, program and project planning, procedure development, and programmatic activities. Subject files are generally organized alphabetically by topic. Document types may include periodic activity reports (narrative and statistical), special reports, topical correspondence (including electronic mail), research materials, project planning notes, organizational charts, etc. Subject files do NOT include files related to individual program activities, human resources files, and accounting records. For topics of continuing interest, files may be segmented into annual files. ACT = while topical file is of interest for ongoing administration. Select topical files may have historical value and should be preserved permanently.

101	<u>General Correspondence</u>	CR+2
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General correspondence does not pertain to a specific issue and it is often organized chronologically or by correspondent's name. General correspondence may include referral correspondence. If the correspondence does pertain to a specific issue it should be filed with other relevant records. General correspondence may exist in a variety of formats, including memos, letters, notes and electronic mail messages. This series also includes automated or manual tools that index and/or track when correspondence was received, the topic of the correspondence, who is responsible for responding to the correspondence, and when the correspondence is considered closed for further action.

102	<u>Transitory Correspondence</u>	EVT
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Transitory correspondence is any form of written communication with a short-term interest that has no documentary value. This type of correspondence has limited administrative and evidential value that is lost soon after the communication is received. Transitory messages do not set policy, establish guidelines or procedures, certify a transaction or become a receipt. Examples of transitory correspondence include letters of transmittal that do not add information to the transmitted materials, routine requests for information that require no administrative action, policy decision, special compilation or research. This type of record also includes invitations to work-related events, notifications of an upcoming meeting, and similar records. EVT = need not be retained more than 30 days after transmission.

PERM = Permanent	ACT = Active	EVT = Event	SUP = Superseded
EXP = Expiration Date	CR = Creation Date	FY = Fiscal Year	DISP = Immediate Disposal

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
103	<p><u>Contact Lists/Directories</u></p> <p>These records contain contact information for individuals and groups that an agency may need to contact for ongoing and special projects, programs, activities, events, surveys, etc. They may contain names, affiliations, address, phone numbers, e-mail addresses, etc. They may exist in paper or electronic form. SUP = retain current information for current contacts or until the list is obsolete.</p>	SUP
104	<p><u>Planners/Calendars</u></p> <p>These may be electronic or manual planners and calendars that are used to track an individual staff member's work-related meetings, assignments, and tasks. Individual employees are responsible for retaining their planners/calendars for the duration of this retention period.</p>	CR+2
105	<p><u>Staff and Project Meeting Records</u></p> <p>These records document staff meetings, meetings with other government agencies, etc. These records do not include council meetings and other official boards, committees or commissions. They may include meeting minutes, agendas, and distribution materials, etc. Meeting records may also be retained in subject files, if they relate to a specific project.</p>	CR+2
106	<p><u>Procedures and Directives</u></p> <p>These records document the standard operating procedures of a department. It may also include an administrative manual.</p>	SUP+6
107	<p><u>Grants</u></p> <p>These files are used to administer grants that are applied for by the Board of Water and Light from state, federal and private agencies. These files may contain applications, budgets, worksheets, adjustments, plans, rules and regulations, award letters, committee records, staffing sheets with account numbers, grant evaluation/monitoring reports, audits, periodic progress reports, etc. ACT = until the grant is closed out, plus any additional time that is required by the granting agency for auditing purposes. Final reports and products of the grant may be kept longer for use and reference purposes.</p>	ACT+7
108	<p><u>Denied Grant Applications</u></p> <p>These records document grants that were applied for, but were not received. They</p>	CR+1

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
	may have reference value for preparing future grant applications. They may contain application forms, budget proposals, letters of support, narrative plans, supporting documentation, etc.	
109	<u>Departmental Budget Planning</u>	CR+5
	These records document budget planning and tracking activities for a particular department. They may include budget requests, capital improvement plans, statistics, budget amendments, budget summaries and balance sheets, etc.	
	<u>Purchasing Card "P-Card" Records</u>	
110	Select employees are assigned p-cards to make purchases. These records are used to reconcile billing statements with receipts.	FY+5
111	<u>Visitor Logs/Registers</u>	CR+3
	These records document who visited a particular office. They record the visitor's name, date and time of the visit, etc. They are used for security purposes.	
112	<u>Employee In/Out Logs</u>	CR+1
	These logs document the time/date when staff arrive and depart throughout each day.	
113	<u>Analytical Reports</u>	ACT
	These reports may be created periodically or on an ad hoc basis. They contain data or information that was extracted and analyzed from official recordkeeping systems. ACT = while of reference value.	
114	<u>Balance scorecard</u>	CR+3
	The Balanced Scorecard is a performance management program used by the Board of Water and Light to monitor the activities and effectiveness of each responsibility area. Reports are submitted monthly by each area to the Finance and Planning Department.	

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Corporate Secretary		
200	<u>Meeting Records -- Board of Commissioners</u> These records document the proceedings of the Board of Commissioners. These records include the approved minutes and agenda packets containing any materials that are distributed to members for review and action.	PERM
201	<u>Meeting Records -- Closed Session</u> These records consist of minutes taken during a closed session of a public body, including any audio or visual recordings. EVT = one day after the date that the meeting minutes are approved. (MCL 15.269)	EVT
202	<u>Rule of Procedure</u> The Rules of Procedure provide guidelines that govern the Board of Commissioners. The Rules speak to items such as, board and committee meetings, meeting notices, quorum guidelines, official acts and many other items periodically reviewed by the Board of Commissioners. Upon review and approval by the Board and City Council, the existing Rules are superseded by the newly adopted guidelines.	SUP
203	<u>Notice of Public Meeting</u> The Open Meetings Act requires public bodies to publish a notice to the public prior to holding a meeting or a hearing.	CR+1
204	<u>Board Member Files</u> These files contain information about people who served on the Board of Commissioners. The board members are appointed by the Mayor and confirmed by City Council. Half are appointed from the City's wards, the other half serve at-large. The board member files may contain applications, biographical information, petitions, conference/training requests, correspondence, etc. ACT = while individual is serving as a member.	ACT
205	<u>Rosters</u> This record lists who served on the Board of Commissioners and the dates of their term as a commissioner.	PERM

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
206	<p><u>Resolutions</u></p> <p>Resolutions are formally written motions that typically include the reason for the motion, the proposed action and any supporting documentation. Proposed resolutions are typically presented at committee meetings and are formally adopted by the Board of Commissioners at the following board meeting.</p>	PERM
207	<p><u>Annual Reports</u></p> <p>These reports document each department's activities. They are typically submitted to the Board of Commissioners in the meeting packet materials for presentation at a board or committee meeting.</p>	CR+10
208	<p><u>Freedom of Information Act (FOIA) Requests</u></p> <p>These files will document any requests for information or public records. The Corporate Secretary General Counsel is the Freedom of Information Act Coordinator for the Board of Water and Light. As such Further, however, the Corporate Secretary shall maintain all FOIA requests, respective responses and other relevant documentation.</p>	CR+1
209	<p><u>Subpoenas</u></p> <p>These records document requests for evidence in a legal proceeding.</p>	CR+1
210	<p><u>Contract, Leases and Agreements</u></p> <p>The Board of Commissioners' Corporate Secretary is the official record keeper for all contracts, leases and agreements executed by the Board of Water and Light, as well as supporting documentation and correspondence. Therefore, all original or official copies of any agreements, leases and other contractual documents must be maintained by the Corporate Secretary's office. Individual departments are permitted to maintain a copy of any agreement, lease or other contractual document for their convenience, which shall be disposed of in accordance with this schedule.</p>	EXP+6

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
211	<p><u>Property Records</u></p> <p>These records document the purchase and sale of property. They include rights of way, easements, deeds, restrictive covenants, vacated properties, warranty deeds, quit claim deeds, annexations, interlocal agreements, incorporations, etc. Supporting documents may include land surveys, maps and drawings, plans, correspondence, legal property descriptions, agreements, resolutions, bond documentation, title insurance, etc. The county register of deeds will maintain copies of some of these records.</p>	PERM
212	<p><u>Vehicle Files</u></p> <p>These files document all vehicles in the Board of Water and Light's fleet. They may include the registration, title, plate information, etc. ACT = while vehicle is owned by the Board of Water and Light.</p>	ACT
213	<p><u>Customer Satisfaction Survey</u></p> <p>A vendor conducts an annual survey to assess customer satisfaction. Once compiled and analyzed, a final copy of the report is included in the meeting packet materials for presentation to the Board of Commissioners.</p>	CR+5

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--General Manager		
300	<u>Commissioners' Correspondence</u> These records document correspondence between the General Manager and the members of the Board of Commissioners. This correspondence may contain informational updates, inquiries, etc. ACT = while the General Manager serves in this office or 5 years, whichever is longer.	ACT
301	<u>Customer Complaints</u> These records document customer complaints that were directed to the General Manager for response. They include the complaint, response and supporting documents from staff.	CR+6
302	<u>Special Event Files</u> These records are used to coordinate and plan special events, such as the annual employee appreciation award dinner. They document facility rental, catering, decorations, programs, etc. They include expense sheets, invitations, programs, etc. Select documents may be retained longer for reference purposes.	CR+5

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Communications		
400	<p><u>Publications</u></p> <p>These records may include brochures, annual reports and other items that are published by the office. ACT = while of reference value. One copy of the publication should be kept permanently for historical purposes.</p>	ACT
401	<p><u>Memorabilia</u></p> <p>This series includes news clippings, certificates, awards, etc. that document events and activities. ACT = while of reference value. Select memorabilia should be kept permanently for historical purposes.</p>	ACT
402	<p><u>Audio-Visual Materials</u></p> <p>These records include photographs, video recordings, audio recordings, slides, etc. in analog and digital formats. They document general program activities, facilities, people, etc. These materials do not include recordings of public meetings, photographs taken for specific business processes (such as investigations and construction), etc., because those records are listed elsewhere on the retention schedule. ACT = while of reference value. Note: some of these materials may have permanent historical value.</p>	ACT
403	<p><u>Newsletters</u></p> <p>These publications include internal and external newsletters about the Board of Water and Light's activities.</p>	PERM
404	<p><u>Press Releases</u></p> <p>These publications document official statements distributed by the Board of Water and Light to the public.</p>	PERM
405	<p><u>Board Digest</u></p> <p>This internal document provides a synopsis of the decisions made by the Board of Commissioners at their meetings.</p>	PERM
406	<p><u>Speech Files</u></p> <p>These records contain prepared speeches, speaker's notes, electronic</p>	ACT

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
	presentations, etc. used by the General Manager, members of the Board of Commissioners and other officials. ACT = while of reference value. Note: some of these materials may have permanent historical value.	
407	<u>Commercial/ Promotional Advertising</u>	ACT
	These records document advertising that the Board of Water and Light has published in the print media, television, radio, sponsored event program materials, etc. ACT = while of reference value. Note: some of these materials may have permanent historical value.	
408	<u>Publication Development Records</u>	ACT
	These records document the development of publications by this office. They include drafts, mock-ups, notes, etc. ACT = until final product is produced.	

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Internal Audit		
500	<u>Audit Files</u> These files document internal audits of the departments and functions of the Board of Water and Light. They may include audit program objectives, analyses, issues memoranda, summaries of significant findings or issues, letters of confirmation and representation, checklists, abstracts or copies of important documents, correspondence concerning findings or issues, schedules of the work performed, etc. These files may be retained as paper or they may be retained in the Audit Management Database (see item #501).	CR+6
501	<u>Audit Management Database</u> This database is used to plan and track the status of audits. It retains audit work papers and reports (see item #500).	CR+6

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Legal Services		
600	<p><u>Litigation Files</u></p> <p>These files document litigation to which the board is a party. Documents may include depositions, transcripts, decisions, correspondence, data, exhibits, research materials, reports, judgments, orders, motions, press releases, media clippings, etc. ACT = until case is closed.</p>	ACT+5
601	<p><u>Employment and Labor Relations Cases</u></p> <p>These files document employment and labor relations litigation to which the board is a party. Documents may include depositions, transcripts, decisions, correspondence, data, exhibits, research materials, reports, judgments, orders, motions, press releases, media clippings, etc. ACT = until case is closed.</p>	ACT+7
602	<p><u>Contractual Matters</u></p> <p>These records document claims against the board, including challenges to fees. The files include forms, review documents, correspondence, etc. ACT = until case is closed.</p>	ACT+1
603	<p><u>Internal Investigations</u></p> <p>These records document investigations about discrimination, harassment, violations, fraud, etc. They may lead to claims, litigation, or they may be resolved in-house. They may contain notes, correspondence, evidence, etc. ACT = upon completion of the investigation, if disciplinary action is not taken. If disciplinary action is taken, the investigation file shall be retained for 4 years after the completion of the investigation, or longer if needed for unresolved litigation. A disciplinary report will be retained in the employee's personnel file.</p>	ACT+4
604	<p><u>Legal Opinions - Final Response</u></p> <p>These records document legal opinions issued by Legal Services. The files contain the final response and the question asked.</p>	PERM
605	<p><u>Legal Opinions - Background</u></p> <p>These records document research into legal opinions issued by Legal Services. ACT = while of reference value.</p>	ACT

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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606	<u>Subpoenas</u>	CR+1
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These records document requests for evidence in a legal proceeding.

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Organizational Development and Training		
700	<p><u>Keller Star Learning Management Training System</u></p> <p>This database is used to keep track of courses offered to attended by each employee including certifications, licenses, etc., and who attended each course. Currently, the database is not comprehensive of all training offered to, or taken by, employees. ACT = term of employment.</p>	ACT+ 1 6
701	<p><u>Curriculum Materials</u></p> <p>These materials form the curriculum that is used to train employees about various topics and issues. They may include manuals, handouts, presentations, course outlines and descriptions, audio visual materials, master tests and answer sheets, etc. SUP = until materials are revised or the course is eliminated from the curriculum.</p>	SUP
702	<p><u>Training Plan</u></p> <p>This plan is updated annually to address training goals for the next five years.</p>	CR+1 SUP
703	<p><u>Event Files</u></p> <p>These records document the planning of training events. They may include logistical information, vendor information, copies of invoices, agendas, course outlines, etc. These files include diversity training events.</p>	CR+ 5 6
704	<p><u>Registration/ Attendance</u></p> <p>These records document employee registration and attendance at training events. They may include a course outline, signed attendance sheets, etc.</p>	CR+ 5 6
705	<p><u>Testing</u></p> <p>These records contain the results of assessments/tests taken or hands of evaluations (HOE) completed by employees during or after training. They include individual answer sheets and documents that analyze the test results.</p>	CR+ 5 6
706	<p><u>Course Evaluations</u></p> <p>These evaluations are completed by employees after they take a course. They include the evaluation forms and documents that analyze the evaluations (i.e.</p>	CR+1

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
	Summary Report).	
707	<u>Apprenticeship Files</u> These files document training courses taken by apprentices and certifications that were received by apprentices. ACT = term of employment.	ACT+6
708	<u>Training Committee Records</u> These training committee records include JALC, JTTC, and DTC meeting minutes, agendas, and related documents.	CR+6

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration-- Public Relations and Diversity Governmental Affairs & Community Services		
800	<u>Sponsorship Requests</u> These records document requests received from outside organizations for sponsorships of events, programs, etc. They include the request form, the approval or denial letter, and a printout of the accounting information from the SAP database (see item #1632).	CR+1
801	<u>Sponsorship Log</u> This log tracks requests for sponsorships, the amount provided and the activity date.	CR+5
802	<u>Sponsored Event Files</u> These records document advertising that is used at sponsored events, including the draft and final versions.	CR+2
803	<u>Advertising Stock Supplies</u> These records document the text and artwork that are used for advertising. They include camera ready stock.	SUP
804	<u>Diversity Training Curriculum</u> These materials form the curriculum that is used to train employees about diversity issues. They may include manuals, handouts, presentations, course outlines and descriptions, audio visual materials, master tests and answer sheets, etc. SUP = until materials are revised or the course is eliminated from the curriculum.	SUP
805	<u>Diversity Training Events</u> These records document the planning of diversity training events. They may include handouts, agendas, attendance, consultants' invoices, evaluations, etc.	CR+3
806	<u>Inclusion and Equity Diversity Council</u> These records document the activities of the council. They may include meeting agendas, notes and minutes, planning documents, reports, policies, consultants' survey materials, interview questionnaires, etc. ACT = life of the	ACT
<hr/> PERM = Permanent ACT = Active EVT = Event SUP = Superseded EXP = Expiration Date CR = Creation Date FY = Fiscal Year DISP = Immediate Disposal		

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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~~project. Select materials may be weeded if they no longer possess reference value.~~

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Inclusion & Equity		
850	<u>Diversity Training Curriculum</u> These materials form the curriculum that is used to train employees about diversity issues. They may include manuals, handouts, presentations, course outlines and descriptions, audio visual materials, master tests and answer sheets, etc. SUP = until materials are revised or the course is eliminated from the curriculum.	SUP
851	<u>Inclusion and Equity Diversity Council</u> These records document the activities of the council. They may include meeting agendas, notes and minutes, planning documents, reports, policies, consultants' survey materials, interview questionnaires, etc. ACT = life of the project. Select materials may be weeded if they no longer possess reference value.	ACT

**City of Lansing
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Item Number	Series Title and Description	Total Retention
Administration--Industrial Health & Safety		
900	<p><u>Employee Injury Records</u></p> <p>These files include any reports of accidents or injuries. Human Resources also maintain these files. These files are used to document that someone was hurt. or that there was a “near miss.” They are used to investigate what happened and what needs to be fixed. These files may include employee injury reports, photos, procedures, notes, interviews, responses by supervisors and management, etc. [29 CFR 1910.1020]. ACT = Employee is actively employed.</p>	ACT+30
901	<p><u>Near Miss/Hazard Reports</u></p> <p>These records are used to remediate or prevent injury accidents. They include forms and supporting documentation of the incident.</p>	CR+5
902	<p><u>MIOSHA Citations</u></p> <p>The files contain notices from MIOSHA that a regulation was violated, and they document the abatement process. They may include the citation, supporting abatement documents, correspondence, copies of accident reports, settlement agreements, etc. Note: these records may need to be kept longer, if specified in the terms of the settlement agreement.</p>	CR+3
903	<p><u>MIOSHA Variances</u></p> <p>These records document requests submitted to MIOSHA to vary from a standard. They include the application, supporting documents, approvals or denials, etc.</p>	EXP+3
904	<p><u>Emergency Procedures</u></p> <p>These procedures document the types of emergencies that may take place and how employees should respond to each type.</p>	SUP
905	<p><u>Safety Committee Meeting Minutes</u></p> <p>These minutes may include discussion/voting regarding BWL Safety Manual rules, speaker presentations (by committee members or guests), investigation summaries, departmental updates regarding ongoing issues, discussion of employee safety concerns, etc.</p>	CR+3
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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
906	<p><u>Safety Data Sheets (SDS or MSDS)</u></p> <p>Safety Data Sheets are documents that contains information on the potential hazards (health, fire, reactivity and environmental) and how to work safely with the chemical product. They are required to be available to employees when requested. ACT = employee is actively employed.</p>	ACT+30
907	<p><u>Exposure Assessments</u></p> <p>Exposure assessments are the result of personal (on an employee) or area monitoring of potential hazards. Monitoring produces a report of contaminant levels and assessment may provide corrective actions for limiting exposure. ACT = employee is actively employed.</p>	ACT+30

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Security		
1000	<p><u>Security Videos</u></p> <p>There are over 70 security cameras stationed at facilities, and approximately 50 of them record video. These digital video recordings are motion-activated. Some recordings are retained longer than 30 days, if storage space allows.</p>	CR+30DAYS
1001	<p><u>Incident Investigations</u></p> <p>These records document investigations, such as tampering of meters and other devices, larcenies, assaults, serious accidents, threats (internal and external), etc. These files may include ratepayer information, interviews, reports, photos, evidence, etc. These investigations may be turned over to local law enforcement for prosecution or may be resolved internally. ACT = until case is closed or litigation has ended (including appeals).</p>	ACT+3
1002	<p><u>Guard Logs</u></p> <p>The company employing the security guards at facilities generates these logs. They document building checks, door checks, vehicle and foot patrols, facility entry, significant observations, actions taken after discovery of a problem or concern, etc.</p>	CR+1
1003	<p><u>Key Assignments</u></p> <p>These files document keys (both physical and key cards) that were assigned to employees. Separate files are maintained on each employee and for each key number. ACT = while individual is employed, or the key is in use.</p>	ACT
1004	<p><u>Door Log</u></p> <p>This database tracks when key cards are used to gain entry through a locked door. It records the key card used, the date and time, etc.</p>	CR+1
1005	<p><u>Employee Identification Cards</u></p> <p>Employees and contractors are issued identification cards. Human Resources maintain the files for employees, but Security maintains the files for contractors. Files include forms and a duplicate card. ACT =</p>	ACT+5

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
	while contracted.	
1006	<u>Parking Permits</u> Employees are assigned a numbered permit to place on their vehicle. These forms identify which permit number was assigned to each employee. ACT = while employed.	ACT
1007	<u>Driver's License Verification</u> Every year supervisors physically inspect the driver's licenses of all employees who either drive a Board of Water and Light owned vehicle, or who are reimbursed for mileage. These records document the annual verification.	CR+2

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Financial Services--Internal Control and Tariff Administration		
1100	<u>Internal Control Records</u>	ACT
	These records document each business process that is reviewed for internal control purposes. They identify procedures within the business process, key controls and secondary controls, evaluation of the design of key controls, periodic testing of the key controls, etc. ACT = until the control is tested again.	
1101	<u>Management Responses to Internal Audit Reports</u>	CR+6
	These records document management's responses to the finding and recommendation, etc., in Internal Audit Reports.	
1102	<u>Internal Control Evaluations</u>	CR+6
	This record documents the internal control self-evaluation performed by a manager and/or process owner to identify the risks, associated internal controls, and a statement as to the effectiveness of those controls.	
1103	<u>Hotline Records</u>	ACT
	The Hotline is an internal system for employees who want to report concerns. These records identify the issue or incident that was reported, the person or people involved in the issue or incident, results of the follow-up including any investigation or audit notes and work papers, etc. ACT = until the issue or incident is dismissed or resolved.	
1104	<u>Hotline Log</u>	CR+6
	This log is used to track reports that are received on the Hotline.	

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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Emergency Management		
1105	<u>Emergency Management Plans and related documentation</u> These records include emergency plans, procedures, guidance and the various documents needed to complete/enhance them. Examples of these records include: emergency action/response plans, all hazard plans, restoration/resumption plans, concept of operation plans, continuity of operations plans, hazard-vulnerability assessments, contact phone numbers, SOPs associated with emergency actions, field operation guides, forms, drawings, maps, photos, workflows, reports, correspondence.	SUP
1106	<u>Emergency Incident/Event Documentation</u> These records include all documents associated with an emergency incident/event. Examples of these records include: correspondence, completed forms, Emergency Management software items, tasks, reports, inspection/assessment documents, maps, drawings, photos, workflows, financial information, media releases, resource awareness and tracking, situational awareness, Command and Communication Center documents and Incident Command Post documents. ACT = the duration of the emergency incident/event and all subsequent activities, including but not limited to, restoration, financial reimbursement, and corrective action implementation.	ACT+3
1107	<u>Emergency Management Exercise/Training and Related Documentation</u> These records include all documents associated with an emergency incident/event. Examples of these records include: correspondence, completed forms, Emergency Management software items, tasks, reports, maps, drawings, photos, work. These records DO NOT include the actual certificate of completion; those records are maintained by the BWL Training Dept.	CR+10
1108	<u>Insurance – Liability</u> These files include insurance policies that provide coverage for general liability and workers compensation. They may include copies of the policies, inspections, reports generated by providers, and reports from insurers involving liability claims and employee injuries.	EXP+100

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
1109	<p><u>Insurance – Automotive</u></p> <p>These files include insurance policies that provide coverage for automobiles, fleet, etc. They may include copies of the policies, inspections, reports generated by providers, etc.</p>	EXP+19
1110	<p><u>Insurance - Property, Theft and Conversion</u></p> <p>These files include insurance policies that provide coverage for property, theft, and conversion. They may include copies of the policies, inspections, reports generated by providers, etc.</p>	EXP+6
1111	<p><u>Insurance Claims</u></p> <p>These files are used to document claims that are made against the Board’s insurance provider. They may contain claim forms, correspondence and supporting documents for each claim that is submitted. ACT = until claim is resolved.</p>	ACT+6
1112	<p><u>Claims Asserted by the BWL</u></p> <p>These records document claims made by the Board against others for damages to Board property or for other Board losses. They may include photos, claim forms, accident reports, research, miscellaneous reports, correspondence, spreadsheets, releases, physical evidence, etc. These claims are also referred to as “Damage Claims”.</p>	CR+6
1113	<p><u>Claims Against the BWL – Minors</u></p> <p>These claims are filed against the Board of Water and Light for damage, bodily injury, or personal injury. The files may include photos, claim forms, insurance forms, accident reports, research, miscellaneous reports, correspondence, spreadsheets, maintenance records, crew records, release forms, evidence, etc. These records may document claims made by minors, or on their behalf, for damages for bodily injury. ACT = until the minor turns age 18 or 4 years, whichever is later.</p>	ACT+1

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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Financial Services Administration--Human Resources

Note: Human Resources records, including payroll, are covered by General Schedule #26, approval date ~~TBA~~ 10/7/08. Exceptions and additions are cited.

1200	<u>Benefit Plans</u>	SUP+50
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These documents define the terms of benefit plans that are available to employees. These files may include the plan documents, plan descriptions, amendments, reports, etc.

1201	<u>Grievances</u>	ACT+6
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These files document employee grievances against the local government and the resolution of the grievance. They may include written grievances, correspondence, summary sheets, legal documents, employee history information, etc. ACT = until the contract that the grievance is related to expires.

1202	<u>Investigations of Non-Criminal Activity</u>	ACT+4
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These records document investigations that do not involve reasonable suspension of criminal activity (felonies or misdemeanors). ACT = upon completion of the investigation.

1203	<u>Salary Studies</u>	ACT
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These records document the analysis of employee salaries to ensure fair compensation. They may include research, surveys, reports, etc. ACT = while of reference value.

1204	<u>Commercial Driver's License (CDL) Test Results</u>	CR+5
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~~These files and records document the employees covered under the U.S. Department of Transportation drug and alcohol testing regulations. These records must be maintained to prove that the testing program is consistent with 49 CFR 382.401 (FMCSA – Motor Carrier) and other industry specific regulations. These records include test results, testing process administration, return to duty process administration, employee training, supervisor training, annual Management Information System (MIS), employee evaluation and referrals to Substance Abuse Professionals (SAP), follow-up tests and follow-up schedules, refusals to test, alcohol test results~~

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
	0.02 or greater, verified positive drug test results, evidential breathe test (EBT) calibration documentation.	
1205	<u>CDL Negative Drug Test Results</u>	CR+1
	These records document alcohol test results of less than 0.02.	
1206	<u>CDL Test Collection Process</u>	CR+2
	These records document the alcohol and drug test collection process.	
1207	<u>CDL Previous Employer Records</u>	CR+3
	These records document previous employment of current employees with commercial driver's licenses.	
1208	<u>CDL Education and Training Records</u>	ACT+2
	These records document training of employees with commercial driver's licenses. ACT = until the employee ceases to perform CDL functions.	
1209	<u>Pension Plan Documentation</u>	ACT
	These records document the terms of employee pension plans including amendments. ACT = as long as any employee or beneficiary is enrolled in this specific plan.	
1210	<u>Employee Pension Files</u>	ACT+5
	These records document pension benefits for employees and retirees and their beneficiaries. They may include the original hiring notice, promotion notices, correspondence, exclusion letters, beneficiary forms, insurance elections, disability retirement approvals, etc. ACT = until the retiree or beneficiary dies or a former employee becomes ineligible for a pension.	
1211	<u>Hotline Records</u>	ACT
	The Hotline is an internal system for employees who want to report concerns. These records identify the issue or incident that was reported, the person or people involved in the issue or incident, results of the follow-up including any investigation or audit notes and work papers, etc. ACT = until the issue or incident is dismissed or resolved.	

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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1212	<u>Hotline Log</u>	<u>CR+6</u>
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This log is used to track reports that are received on the Hotline.

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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Financial Services—Payroll

Note: Human Resources records, including payroll, are covered by General Schedule #26, approval date TBA. Exceptions and additions are cited.

1300	<u>Employee Payroll Files</u>	ACT
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~~These files are maintained on each employee who is enrolled in a pension plan (such as the Municipal Employees Retirement System or a locally operated plan). They document activities that affect payroll. They may include W-4, hiring authorization, requisitions, pay increase/change of status notices, contract calculations, long-term disability, retirement purchases, current enrollment for benefits (including health, life, disability, dental, vision and supplemental insurance), credit union deposits, flexible spending accounts, investments in tax-deferred accounts (such as 403B, 401K, 457, etc.), employee/employer deferral elections, employee/employer loan agreements, contribution limit testing, supporting documentation for garnishments, levies and deductions, tax-deferred payment agreements, retirement beneficiary forms, final salary affidavit, electronic funds transfer applications, etc. ACT = while individual is employed by the local government plus 50 years, or until retirement plus 20 years, whichever is sooner.~~

1301	<u>Pensions Investment and Finance Statement</u>	FY+7
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~~These monthly reports document pension plan investments and financial status.~~

1302	<u>Pension Plan Audit and Annual Report</u>	PERM
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~~These reports document annual audits and financial reporting of the pension plan accounts.~~

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Administration--Enterprise Content Management		
1303	<u>Project Files</u> These files document the development of new ECM solutions for departments, upgrades and maintenance activities. These files may include correspondence, notes, systems documentation, source code, object code, code definitions, system layout, testing, training materials, maintenance work, project plans and timelines, operational procedures, data conversion, system migration, etc. ACT = life of system. Select documents that are not needed for ongoing maintenance and operation of the system may be removed from project file after the project is completed.	ACT+5
1304	<u>Change Control</u> These records document changes to production systems for routine maintenance, upgrades, enhancements, data corrections, emergencies, etc. They may include authorizations, activity assignments, activity descriptions, backup/recovery plans, test runs, etc. ACT = life of system. Note: Select documents that are not needed for ongoing maintenance and operation of the system may be removed after the above-mentioned activity is completed.	ACT+5
1305	<u>ECM System Operation Reports Tier 1</u> These reports belong to the System Documents Document Type Group in OnBase. They can be automatically or manually generated to support the ECM Solutions. Examples of reports include (but are not limited to): SYS Configuration Reports, SYS Transaction Logs, SYS User Reports, SYS Verification Reports, etc.	CR+30 Days
1306	<u>ECM System Operation Reports Tier 2</u> These are reports that are generated by many systems either on a regular basis, manually or automatically generated, that provide information that is considered disposable as it is produced. These reports can be deleted immediately. ACT=while of reference value.	ACT

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Item Number	Series Title and Description	Total Retention
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Financial Services Administration--Information Technology Resource Center

Note: Information technology records are covered by General Schedule #304, approval date TBA 12/1/09. Exceptions and additions are cited below.

1400	<p><u>Server Logs Designated Tier 1</u></p> <p>These are Corporate Network Access and SAP transaction logs. These logs are either security/AAA logs (Logs that document user or system access, authentication or authorization to/from a given system. This also includes logs of changing user or system levels of privileges to any system) or transaction logs on primary systems that track changes in those systems that affect the ownership or value of financial rights or obligations. Examples of these logs would exist as network login events (Windows server/RSA Server/TACAC+ Server), VPN login events (Cisco), payment authorization (SAP/Mainframe) or individual system access (SCADA).</p>	CR+390 Days
1401	<p><u>Library/Procedures System</u></p> <p>This system contains instructions and reference tools that document how to install and maintain equipment and software. It may include manuals, whitepapers, notes, guides, etc.</p>	SUP
1402	<p><u>Server Logs Tier 2</u></p> <p>These are logs that track activity in different systems that do not rise to the level of a "Tier 1" holding. These are logs that may be generated by many systems and deemed to have no business impact beyond the immediate. but that track activity that has enough of a potential impact on the company that they are deemed important enough to retain for one full year. Examples of this kind of log could be change management logs (who made changes to what system); These logs may include but are not limited to phone logs (who made what outgoing call), Internet usage logs (what sites or how much data did a user go to or use) or use of a system not listed above where transactions are logged. Active=while of reference value.</p>	CR+1 ACT

**City of Lansing
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Item Number	Series Title and Description	Total Retention
1403	<u>Server Logs Designated Tier 3</u> These are primarily system logs of computer activity that is not user initiated, but the information in them may relate to user activity of some kind, or is deemed necessary to keep for a short period due to the impact of the information contained in them. These logs could be logs used for department charge back, performance or trend analysis, error or alert logs or other types of regular informational system logs that only pertain to the day-to-day functioning and administration of the system in question.	CR+30 DAYS
1404	<u>Server Logs Designated Tier 4</u> These are logs that are generated by many systems either on a regular basis, or when put in a special debugging or verbose mode, that provide information that is considered disposable as it is produced. These logs fit in none of the other Tier areas defined and can be deleted immediately. Examples of these types of logs could be packet traces, screen logs, network name caching, or information logs that are created that are deemed to have no business impact beyond the immediate.	DISP
1405	<u>Contracts, Licenses and Agreements</u> These records cover hardware, software, services, maintenance, hosting, leases, etc. for systems that the department supports. The information technology office is not the office of record for the official legal documents or signed contracts. ACT = Life of the system.	ACT+1
1406	<u>Technology Service Requests</u> These records document problems with accounts and equipment and requests for new services. They are used to initiate new projects and to generate repair tickets. It may contain work orders, the user name, a description of the problem or project, the location of the equipment, the date/time the request was received and resolved, etc.	CR+2

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
1407	<p><u>Call Detail</u></p> <p>These records are received from the service carrier. They identify when calls or messages were made or received on devices issued to employees. They may be received with the bill from the service carrier, which is forwarded to the Finance Department for payment and official retention after the accuracy of the charges are verified. Information found in these records may include the device tag number, phone number, date and time of the communication, length of communication, phone number of the other party, etc. These records do not contain the content of voice or text messages. Carriers may or may not retain the content of these communications. Employees are responsible for retaining the content of recorded communications per their agency's Retention and Disposal Schedule, if the communication complies with the definition of a public record.</p>	CR+180 days
1408	<p><u>Training Registration</u></p> <p>These records document which employees have attended training conducted or coordinated by the Information Technology Department. They may contain the employee's name, department, training date, course title, accounting information, etc. The information technology office is not the office of record for the training registration; these records are retained by the Training Department. ACT=while of reference value.</p>	ACT

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
Financial Services--Finance and Planning		
1500	<u>Commodity Price Adjustments</u> Commodity price adjustments are calculated monthly to set rates. These records may include spreadsheets documenting each month's calculation, fuel cost factors, correspondence, etc.	CR+5
1501	<u>Rate Documentation</u> These records document the calculation of service charges, usage charges, maintenance charges, labor costs and capital costs. They may include consumption data, customer contract data, cost of service studies, usage data, rate design documents, current and proposed rate comparisons, current and proposed rate sheets, final rate sheets, etc.	CR+5
1502	<u>Rate Case Books and Filings</u> Rate Case Books contain all relevant documents produced by the Finance and Planning Department to design and implement base rate changes. Rate changes are then filed with the Lansing City Clerk.	CR+50
1503	<u>Annual Budget</u> These records document the annual budget of the entire Board of Water and Light. They document revenue, expenses, projected income, cash flow and other data for each responsibility area. They may include spreadsheets, financial plans, filings with the Lansing City Clerk, etc.	CR+5
1504	<u>Supporting Calculations</u> These records are created annually to support financial reports and budgets. They may include annual arbitrage rebate calculations, VEBA calculations, section 240 transfer calculations, etc.	CR+7
1505	<u>Cash Management</u> These records document the daily cash flow of each financial account. They may include bank agreements, bank statements, daily cash statements, cash logs, etc.	CR+3

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
1506	<p><u>Balanced Scorecard</u></p> <p>The Balanced Scorecard is a performance management program used by the Board of Water and Light to monitor the activities and effectiveness of each responsibility area. Reports are submitted monthly by each area (see item #114). These records include the compiled monthly reports, supporting documentation and analytical documents.</p>	CR+3
1507	<p><u>Retirement System Records</u></p> <p>Per Michigan Public Act 314 of 1965: "A system shall retain its financial records for a minimum period of 6 years from the date of the creation of the record unless state or federal law requires a longer retention period. As used in this subsection, 'Financial records' includes, but is not limited to, records pertaining to expenditures for professional training and education, including travel expenditures, by or on behalf of system board members that are paid by the system."</p>	CR+6
1508	<p><u>Internal Control Records</u></p> <p>These records document each business process that is reviewed for internal control purposes. They identify procedures within the business process, key controls and secondary controls, evaluation of the design of key controls, periodic testing of the key controls, etc. ACT = until the control is tested again.</p>	ACT
1509	<p><u>Management Responses to Internal Audit Reports</u></p> <p>These records document management's responses to the finding and recommendation, etc., in Internal Audit Reports.</p>	CR+6
1510	<p><u>Internal Control Evaluations</u></p> <p>This record documents the internal control self-evaluation performed by a manager and/or process owner to identify the risks, associated internal controls, and a statement as to the effectiveness of those controls.</p>	CR+6
1511	<p><u>Remittance Stubs</u></p> <p>These records are the stubs that are received with each payment. They are digitally imaged with the check (if applicable) prior to bank deposit. The paper is destroyed after the image is verified for accuracy and readability.</p>	FY+3

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
1512	<u>Audit Trail Folder</u> These folders are used to audit customer transactions. They contain daily tapes from cashiers' machines, and daily mail machine tapes.	FY+ 6 months
1513	<u>Credit Card Receipts</u> These daily packages contain receipts for credit card payments.	FY+5
1514	<u>Electronic Payment Statements</u> These reports are downloaded daily from credit card processing services and the in-house system to document transactions with the electronic fund transfer clearinghouse.	FY+5
1515	<u>Energy Draft Reimbursement</u> These records document customers who are paying their bills with Home Heating Credit funds. Fund drafts are sent to the Michigan Department of Treasury every 1-2 weeks, which sends back the reimbursement. These records are used to validate the reimbursement of funds.	FY+5
1516	<u>Daily Control Folder</u> This folder captures all transactions for each day's deposits and postings.	FY+5
1517	<u>Daily Bank Statements</u> These statements document the amount that was posted to each account, as well as debits and credits to each account.	FY+5
1518	<u>NSF Checks</u> These records document check payments that were returned from the bank for non-sufficient funds (NSF). They are used to reverse payment on the account and generate a NSF letter to the customer.	FY+6
1519	<u>State of Michigan Customer Payment Reports</u> These weekly reports document payments made by the State of Michigan on behalf of customers. They are used to verify the accuracy of the account number used to correct posting errors.	FY+5

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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1520	<u>Collection Reports</u>	FY+5
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These daily reports are received from third parties (such as grocery stores) who collect payments from customers. They identify the date, customer name, account numbers, amount collected, etc.

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Financial Services--General Accounting		
1600	<u>Insurance—Liability</u> These files include insurance policies that provide coverage for general liability and workers compensation. They may include copies of the policies, inspections, reports generated by providers, and reports from insurers involving liability claims and employee injuries.	EXP+100
1601	<u>Insurance—Automotive</u> These files include insurance policies that provide coverage for automobiles, fleet, etc. They may include copies of the policies, inspections, reports generated by providers, etc.	EXP+19
1602	<u>Insurance—Property, Theft and Conversion</u> These files include insurance policies that provide coverage for property, theft, and conversion. They may include copies of the policies, inspections, reports generated by providers, etc.	EXP+6
1603	<u>Insurance Claims</u> These files are used to document claims that are made against the Board's insurance provider. They may contain claim forms, correspondence and supporting documents for each claim that is submitted. ACT= until claim is resolved.	ACT+6
1604A	<u>Claims Asserted by the BWL</u> These records document claims made by the Board against others for damages to Board property or for other Board losses. They may include photos, claim forms, accident reports, research, miscellaneous reports, correspondence, spreadsheets, releases, physical evidence, etc. These claims are also referred to as "Damage Claims".	CR+6

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Item Number	Series Title and Description	Total Retention
1604B	<u>Claims Against the BWL—Minors</u>	ACT+1
	These claims are filed against the Board of Water and Light for damage, bodily injury, or personal injury. The files may include photos, claim forms, insurance forms, accident reports, research, miscellaneous reports, correspondence, spreadsheets, maintenance records, crew records, release forms, evidence, etc. These records may document claims made by minors, or on their behalf, for damages for bodily injury. ACT = until the minor turns age 18 or 4 years, whichever is later.	
1605	<u>Accounts Payable</u>	FY+733
	These records document the payment for goods and services. They may include purchase orders, delivery slips, invoices, checks, check requests, periodic financial reports, monthly inventory balances for coal, and warehouse property, etc.	
1606	<u>General and Subsidiary Ledgers</u>	CR+50
	These ledgers include general and subsidiary ledgers and indexes.	
1607	<u>Trail Balance Sheets</u>	CR+2
	These sheets document balancing of the general and subsidiary ledgers.	
1608	<u>Journals Vouchers and Entries</u>	CR+50
	These records include general, departmental, divisional and petty journal vouchers and supporting documentation.	
1609	<u>Schedules for Recurring Journals Entries</u>	SUP
	These records list standard journal entry numbers.	
1610	<u>Daily Cash Ledger</u>	CR+5
	These ledgers and supporting documents show daily cash activity and collections.	

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Item Number	Series Title and Description	Total Retention
1611	<p><u>Vouchers and Registers</u></p> <p>These records include check registers, paid and canceled vouchers, analysis sheets showing distributions of charges on individual vouchers, voucher registers, original bills and invoices for materials and services paid, and paid checks, invoices, checks, check requests, etc.</p>	CR+30
1612	<p><u>Accounts Receivable</u></p> <p>Records and indexes documenting sales and payments received, including invoices issued and supporting documentation. ACT = until settlement.</p>	ACT+5
1613	<p><u>Securities</u></p> <p>These records document which securities are owned, are in treasury or with custodians. ACT = until disposal of investment.</p>	ACT+6
1614	<p><u>Tax Records</u></p> <p>These records document Federal withholding sales and use taxes and property assessments.</p>	FY+7
1615	<p><u>Audit Reports</u></p> <p>These reports include accountants, auditor and annual reports documenting the status of finances.</p>	PERM
1616	<p><u>Property Record Cards</u></p> <p>These records document each asset, they document accumulated costs, and they provide background information about how/why a capitalized value was established. ACT = year of retirement.</p>	ACT+5
1617	<p><u>Plant Ledgers</u></p> <p>These records show the description, location, quantity, costs, etc. for physical units of plants owned. ACT = until plant is retired.</p>	ACT+6
1618	<p><u>Construction Ledgers and Work Orders (Work Order Jackets)</u></p> <p>These records include construction, work in progress and retirement ledgers, as well as work order sheets. They show entries for labor, materials,</p>	ACT+5

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Item Number	Series Title and Description	Total Retention
	charges for additions, etc. ACT = year of last asset retirement.	
1619	<u>Expense Authorizations</u> These records document authorizations for capital expenditures, including cost estimates, cost basis , revisions, completion and performance reports that show the comparison between estimates and actual expenditures. ACT = until project is completed . Year of last asset retirement.	ACT+ 7 5
1620	<u>Depreciation Reserve Records</u> These records document the segregation of the depreciation reserve according to the functional classification of the plant, and records that support computations.	CR+25
1621	<u>Statement of Funds</u> These records include summary and periodic statements of cash balances on hand and with depositories, authorizations for transfers of funds from one depository to another, reports and estimates of funds.	CR+5
1622	<u>Bank Statements</u> These statements are received from banks. They are used to document interest credits and to reconcile accounts.	CR+7
1623	<u>Receipt and Disbursement Records</u> Daily or periodic statements of receipts or disbursement of funds, statements of outstanding vouchers, checks, drafts issued and not presented, etc.	CR+7
1624	<u>Utility Service Contracts</u> These records document authorizations for charges under utility service contracts.	EXP+1
1625	<u>Miscellaneous Sales</u> These records document sales of materials, supplies and scrap to outside parties. They contain customer information, items sold, amount of sale, and date of transaction.	CR+5

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
1626	<p><u>Miscellaneous Accounts Receivable</u></p> <p>A database is used to track incoming funds from customers of miscellaneous purchases that are not part of an investment or a customer's account. These records include invoices and cash receipts. ACT = until paid in full.</p>	ACT+5
1627	<p><u>Monthly Financial Statements</u></p> <p>These records contain a summary of general ledger data.</p>	CR+50
1628	<p><u>Bonds</u></p> <p>These files document bonds for capital and construction projects. They may include transcripts of bond proceedings, coupons and other supporting documentation.</p>	EXP+7
1629	<p><u>Final Affidavit of Payment</u></p> <p>The final affidavit of payment is evidence that all funds that were borrowed were paid back in full.</p>	PERM
1630	<p><u>Bond Cremation Certificates</u></p> <p>The Bond Cremation Act (PA 56 of 1962) requires public corporations to cremate or disintegrate obligations or interest coupons upon maturity, and to receive a certificate documenting the destruction of the records.</p>	PERM
1631	<p><u>Federal Reports</u></p> <p>These reports are submitted to the Federal Energy Regulatory Commission. They document sales, revenue, environmental upgrades, etc.</p>	CR+7

**City of Lansing
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Item Number	Series Title and Description	Total Retention
1632	<p><u>Accounting Database</u></p> <p>This database uses SAP software that supports a variety of business processes and reports. This database contains information that may be found in previously listed records such as: Accounts Payable, General and Subsidiary Ledgers, Journal Vouchers, Accounts Receivable, Tax Records, Property Records, Plant Ledgers, Construction Ledgers and Work Orders, Depreciation Reserve Records, Miscellaneous Accounts Receivable, etc. EVT = If the SAP Accounting Database is the official record then the retention period for that data will be the same as listed for the individual records. If the SAP Accounting Database is not the official record for certain data then that data shall have a retention period equal to that of the individual record or a period of CR+10 years, whichever is shorter. Some records may be retained in a variety of storage mediums, for example; Monthly Financial Statements have a retention period of CR+50. The oldest Monthly Financial Statements may be retained in paper, microfiche, or in a Portable Document Format (PDF) while more recent records may be retained in the SAP Accounting Database. In such cases the SAP Accounting Database shall be treated the same as the official record until a determination is made to preserve it in another medium. Note: The same record retention rationale applied to SAP accounting database applies to data retained in other databases. SAP was launched on April 1, 2007. Accounting database detail created prior to April 1, 2007 was not migrated to SAP and resides in a mainframe database that is replicated in a MS SQL Server database. This data is accessible via TIP, SQL reports, and mainframe reporting.</p>	EVT
1633	<p><u>Closed Customer Deposits</u></p> <p>These records contain detailed documentation of unpaid deposits. They are used to follow up with customers and reconcile accounts.</p>	FY+5
1634	<p><u>Customer Correspondence</u></p> <p>These files contain miscellaneous inquiries and concerns communicated by customers.</p>	FY+1
1635	<p><u>Credit Card & ACH Maintenance and rejection reports</u></p> <p>These reports document rejected electronic payments and also information regarding the maintenance of a customer's account.</p>	FY+5

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Item Number	Series Title and Description	Total Retention
1636	<u>Non-consumption Charges</u> These monthly reports document charges for services other than consumer power or water, such as frozen meters, hydrant permits, inspections, etc.	FY+5
1637	<u>Cash Coupons</u> These records document the amount that was received for payment on miscellaneous accounts for select customers.	FY+5
1638	<u>Customer Account Activity</u> This database documents the monthly bill sent to customers for various services. It identifies the amount billed and paid, and it is used to support adjustments. Data is purged from the database after 18 months, but is exported to the document management system for the remainder of the retention period. The documents are organized into three reports: Explicit Account Receivable Postings, Deposits, and Meter Readings.	FY+5
1639	<u>Reconciliations</u> Reports are generated monthly to confirm what is posted in detail matches general accounting funds.	FY+5
1640	<u>Customer Bills</u> These monthly reports document charges for billing determinants for customers not on the current customer information system.	FY+3
1641	<u>Tax Exemptions</u> These forms are submitted by customers to document their tax-exempt status for sales tax. ACT = until account is closed.	ACT
1642	<u>Adjustment Folders</u> These folders contain reports documenting manual adjustment to customer accounts that are made each month. Each report identifies the amount, account information, date, etc.	FY+5
1643	<u>In-House Investigations</u>	CR+3

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	These logs are used to look into the mis-posting of payments. They contain the customer name, account information, the results and resolution of the investigation, etc.	
1644	<u>Sewer Receipt Reports</u>	FY+5
	The Board of Water and Light collects customer payments for sewer services on behalf of the Lansing Public Service Department, which actually provides the service. These reports are generated daily to document the amount received for the Lansing Public Service department for the sewer services. Reconciliation reports are generated daily or monthly to reconcile receivables and payables.	
1645	<u>Sewer Adjustments</u>	FY+5
	These records document correspondence from customers requesting adjustments to their bill for sewer services. A form and the letter are sent to the Lansing Public Service department for review and approval or denial before an adjustment is made.	
1646	<u>Employee Payroll Files</u>	ACT
	These files are maintained on each employee who is enrolled in a pension plan (such as the Municipal Employees Retirement System or a locally operated plan). They document activities that affect payroll. They may include W-4, hiring authorization, requisitions, pay increase/change of status notices, contract calculations, long-term disability, retirement purchases, current enrollment for benefits (including health, life, disability, dental, vision and supplemental insurance), credit union deposits, flexible spending accounts, investments in tax deferred accounts (such as 403B, 401K, 457, etc.), employee/employer deferral elections, employee/employer loan agreements, contribution limit testing, supporting documentation for garnishments, levies and deductions, tax deferred payment agreements, retirement beneficiary forms, final salary affidavit, electronic funds transfer applications, etc. ACT = while individual is employed by the local government plus 50 years, or until retirement plus 20 years, whichever is sooner.	
1647	<u>Pensions Investment and Finance Statement</u>	FY+7
	These monthly reports document pension plan investments and financial status.	

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Item Number	Series Title and Description	Total Retention
1648	<p><u>Pension Plan Audit and Annual Report</u></p> <p>These reports document annual audits and financial reporting of the pension plan accounts.</p>	PERM
1649	<p><u>Address Changes</u></p> <p>These records document that the address for a location has changed (such as the street name changed, a property was demolished, etc.).</p>	FY+5
1650	<p><u>Third Party Payment Agreement for Electrical Contractor – Mast Repair Program</u></p> <p>This document is an agreement signed by the customer authorizing the BWL to pay the Electrical Contractor for mast repair services for all charges for work performed. The customer also agrees to the BWL adding this charge to their monthly bill for a period of 12 months without interest.</p>	EXP+6

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Item Number	Series Title and Description	Total Retention
Financial Services--Purchasing & Warehouse		
1700	<u>Bids and Quotes</u> Bids are received from vendors for contracts that are needed for materials and services. These files may include the Invitation to Bid, the Request for Proposal, the bid documents that are submitted, the reviewer documentation, etc. The SAP database contains digital images of many of these documents, as well as accounting and tracking information. This record series includes awarded and non-awarded bids. EXP = expiration of the contract that is executed after the bid is awarded.	EXP+6
1701	<u>Acquisitions</u> These records document the acquisition of materials and services. They include requisitions, purchase orders, acknowledgements, receipts, notices of shipment, packing slips, copies of bills of lading, copies of notices to vendors for materials returned for credit and repair, document used to check and trace materials, etc. The SAP database contains digital images of many of these documents, as well as accounting and tracking information.	FY+7
1702	<u>Packing Lists</u> These records include receipts or delivery tickets issued for materials received in installments and subsequently surrendered with, and in support of, invoices or bills that cover complete purchases.	CR+1
1703	<u>Disposition of Scrap and Surplus Material</u> These records document the disposition (destruction or sale) of scrap and surplus materials. They may include authorizations, correspondence, receipts, inventories, etc.	FY+3
1704	<u>Purchasing Card (P-Cards) User Accounts Files</u> These records document the administration of the p-card program, including the opening and closing of user accounts and the establishment of purchasing limits. They include correspondence, authorization forms from supervisors, etc. ACT = until individual user account is closed.	ACT+5

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1705	<u>Warehouse Inventory</u> The SAP database is used to control the inventory of materials in the warehouse. It is used to audit valuations on financial statements, and ensure that adequate supplies are maintained.	SUP
1706	<u>BWL Goods Issues Slips</u> These records document disbursements of materials from the warehouse.	FY+7

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Financial Services--Customer and Payment Service		
1800	<u>Service Orders</u> These forms are completed to request electrical or water service. They contain the customer's contact information, date of request, reason for turn on, meter location, access notes, etc.	CR+6
1801	<u>Water Waivers</u> These C.A.R.S. records document permission received to turn water service on without entering an address. They are signed and dated by the customer.	CR+1
1802	<u>Applications for Service</u> These applications are received in the Call Center from apartment owners to request service for tenants. It contains personal information for each tenant to ensure proper billing.	CR+1
1803	<u>Automatic Leave-on Form</u> These forms are maintained by the Call Center identify that billing for apartments will revert back to the owner after a tenant moves out. ACT= while the account is open.	ACT CR+1
1804	<u>Service Investigation Orders</u> These orders are used to request repairs to broken meters, re-locate remote read registers, address anomalies in billing, identify who is using the service, investigate why no service is received, and request new meter installations.	CR+1
1805	<u>Meter Change Forms</u> These forms are used to request installation of new water meters when an older one is broken.	CR+1
1806	<u>Letter of Credit</u> These records are collected by the Call Center and used to document that a new customer is in good standing with another utility provider prior to establishing a new service. If a customer can supply this document then the	CR+1 ACT

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Item Number	Series Title and Description	Total Retention
	deposit is waived. ACT= While the account is open.	
1807	<u>Open Customer Deposits</u> These records are maintained by Customer Service and contain detailed documentation of unpaid deposits for open accounts . They are used to follow up with customers and reconcile accounts.	FY CR+5 days
1808	<u>Address changes</u> These records are received by both the Call Center and Utility Services and documents that the address for a location has changed (such as the street name changed, a property was demolished, etc.).	FY+5
1809	<u>Customer Correspondence</u> These files contain miscellaneous inquiries and concerns communicated by customers taken by the Call Center .	FY+1
1810	<u>Medical Alert Form</u> These forms are received in the Call Center from customers to identify that they have a medical condition for which it would be life threatening if service were turned off for non-payment. These forms are renewed annually. ACT = while medical emergency is in effect.	ACT
1811	<u>SSI Printout</u> These daily reports document detailed uploads of meter readings. They contain the address, date, time of each reading, unusual readings, non-readings, etc. They are used for billing support.	CR+31
1812	<u>Meter Read Edit</u> These daily reports document uploads of meter readings. They contain summary data such as the read date, number of meters in the route, valid and invalid registers, valid and invalid reads, number of high and low reads, etc.	CR+31

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1813	<u>Customer Card Reads</u> These cards document customers who read their own meters. They include periodic submissions of meter data from customers, such as account information, meter number and usage data.	CR+31
1814	<u>Actual Meter Read Needed</u> This daily reports lists customers who are due for an actual meter read because too many estimated reads have been used for billing. They are used to schedule appointments with customers to read the meter.	CR+6 MONTHS
1815	<u>Remittance Stubs</u> These records are the stubs that are received with each payment. They are digitally imaged with the check (if applicable) prior to bank deposit. The paper is destroyed after the image is verified for accuracy and readability.	FY+3
1816	<u>Audit Trail Folder</u> These folders are used to audit customer transactions. They contain daily tapes from cashiers' machines, and daily mail machine tapes.	FY+5
1817	<u>Credit Card and Electronic Payment Forms</u> Customers can provide their credit card information on signed forms to authorize use of the card for payments or banking information for electronic payments. ACT = until authorization is closed.	ACT+2
1818	<u>Credit Card Receipts</u> These daily packages contain receipts for credit card payments.	FY+5
1819	<u>Electronic Payment Statements</u> These reports are downloaded daily from credit card processing services and the in-house system to document transactions with the electronic fund transfer clearinghouse.	FY+5

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Item Number	Series Title and Description	Total Retention
1820	<u>Non-consumption Charges</u> These monthly reports document charges for services other than consumer power or water, such as frozen meters, hydrant permits, inspections, etc.	FY+5
1821	<u>Cash Coupons</u> These records document the amount that was received for payment on miscellaneous accounts for select customers.	FY+5
1822	<u>Customer Account Activity</u> This database documents the monthly bill sent to customers for various services. It identifies the amount billed and paid, and it is used to support adjustments. Data is purged from the database after 18 months, but is exported to microfiche document management system for the remainder of the retention period. The microfiche documents are organized in three reports: Explicit Account Receivable Postings, Deposits, and Meter Readings. This mainframe database will eventually be migrated to the SAP database.	FY+5
1823	<u>State of Michigan Customer Payment Reports</u> These weekly reports document payments made by the State of Michigan on behalf of customers. They are used to verify the accuracy of the account number used to correct posting errors.	FY+5
1824	<u>Energy Draft Reimbursement</u> These records document customers who are paying their bills with Home Heating Credit funds. Fund drafts are sent to the Michigan Department of Treasury every 1-2 weeks, which sends back the reimbursement. These records are used to validate the reimbursement of funds.	FY+5
1825	<u>Collection Reports</u> These daily reports are received from third parties (such as grocery stores) who collect payments from customers. They identify the date, customer name, account numbers, amount collected, etc.	FY+5

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Item Number	Series Title and Description	Total Retention
1826	<u>Daily Control Folder</u> This folder captures all transactions for each day's deposits and postings.	FY+5
1827	<u>Daily Bank Statements</u> These statements document the amount that was posted to each account, as well as debits and credits to each account.	FY+5
1828	<u>NSF Checks</u> These records document check payments that were returned from the bank for non-sufficient funds (NSF). They are used to reverse payment on the account and generate a NSF letter to the customer.	FY+6
1829	<u>Reconciliations</u> Reports are generated monthly to confirm what is posted in detail matches general accounting funds.	FY+5
1830	<u>Customer Bills</u> These monthly reports document charges for billing determinants for customers not on the current customer information system.	FY+3
1831	<u>Tax Exemptions</u> These forms are submitted by customers to document their tax-exempt status for sales tax. ACT = until account is closed.	ACT
1832	<u>Adjustment Folders</u> These folders contain reports documenting manual adjustment to customer accounts that are made each month. Each report identifies the amount, account information, date, etc.	FY+5
1833	<u>In-House Investigations</u> These logs are used to look into the mis-posting of payments. They contain the customer name, account information, the results and resolution of the investigation, etc.	CR+3

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
1834	<u>On-site Collection Receipts</u> These records document on-site visits to customers to collect unpaid funds and to prevent service shut off. They include the receipt of funds collected.	CR+1
1835	<u>Proof of Occupancy/Ownership</u> These records are maintained by the Call Center and used to document occupancy/ownership of a property when services have been turned off for non-payment. They include copies of the lease or deed and the individual's drivers' license.	CR+1
1836	<u>Bankruptcy Documents</u> These files are maintained by Collections and contain court documents for bankrupt customers who have unpaid bills. They contain a pro-ration of the bills, amounts owed, notes, correspondence, etc. ACT = until the account is settled or until notice is received from the court that no further payments will be made.	ACT+5
1837	<u>Uncollectible Accounts</u> These files document attempts to collect on unpaid accounts. They may contain correspondence disputing the amount owed, estate information for deceased customers, attorney correspondence, payment plans, collection agency correspondence, etc.	FY+6
1838	<u>Bad Debt and Aging Reports</u> These reports are created by Collections and document uncollected payments that are written off. Preliminary reports of bad debt are created monthly, and monthly aging reports document how long the various categories of debt are past due. ACT = While the report is used, then sent over to Customer Billing in General Accounting Department.	FY+5 ACT
1839	<u>Sewer Receipt Reports</u> The Board of Water and Light collects customer payments for sewer services on behalf of the Lansing Public Service Department, which actually provides the service. These reports are generated daily to document the amount received for the Lansing Public Service department for the sewer services. Reconciliation reports are generated daily or monthly to reconcile	FY+5

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
	receivables and payables.	
1840	<u>Sewer Adjustments</u> These records document correspondence from customers requesting adjustments to their bill for sewer services. A form and the letter are sent to the Lansing Public Service department for review and approval or denial before an adjustment is made.	FY+5
1841	<u>Renewable Energy Reports</u> These monthly reports provide a snapshot of how many blocks of renewable energy were sold, the number of customers served and the amount of revenue generated.	CR+10
1842	<u>Senior Consent Form</u> These records are maintained by the Call Center and contain permission from customers identifying that there is a senior citizen at the address who wishes to be identified to local emergency personnel that they would like to have a wellness checkup during emergency situations. Forms to be kept on file while the account is open. ACT = Life of the account, replaced annually, or until no longer requested.	ACT
1843	<u>Demolition Request Letters</u> Utility Services receives these requests from customers indicating their desire to remove the specified utility (ies), what meter number is associated and the signature of the owner or representative party. These requests are then forwarded to Customer Projects.	EVT+3
1844	<u>Spot Forms</u> Utility Services receives these forms that designate where meters will be placed on a building. They include drawings and forms. ACT = until the meter is installed.	ACT+3
1845	<u>Dispute Forms</u> These records are received from customers requesting a dispute investigation on active account billing. These are maintained by Collections.	CR+1

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
1846	<u>Winter Protection Plan</u> These forms are received by the Call Center from customers requesting they be placed on a special winter payment arrangement. ACT = during the winter season.	ACT+6
1847	<u>Winter Electric Turn Off Override Request</u> These forms are received by C.A.R.S. from the customer requesting shut off and acknowledging the risk of shutting off during the winter season.	CR+1

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
Strategic Planning and Development--Project Engineering Resource Center		
1900	<u>Project Files</u> These records document the development of a facility, property, or project. They may include design calculations, drawings, specifications and bids, photos, manuals, submittals, correspondence, budgets, estimates, invoices, studies, surveys, etc. ACT = until sold, demolished, or superseded. Select documents may be weeded after the project is completed or 6 years after the contract for the work expires.	ACT
1901	<u>Maintenance Records</u> These records document the maintenance of properties and facilities. They contain mostly as built documentation, such as drawings and photos. ACT = until sold or demolished.	ACT
1902	<u>Capital Budget</u> These records document the development of the capital budget such as project estimates. They include justifications and estimates prepared by various departments.	CR+5

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Strategic Planning and Development--Records Management		
2000	<p><u>Original Drawings</u></p> <p>Drawings created within Geographic Information Systems (GIS) or Computer Aided Design (CAD) that graphically represent the BWL distribution systems and assets. They are used as a tool for sketch creation, troubleshooting and reference. They are indexed by map book grids or databases and are available for viewing on the BWL intranet. They include: water section distribution maps, quarter of a quarter water sections, quarter section electric distribution map pages, one line diagrams, electric manholes details, plans and profiles for electric duct lines, primary circuit maps, underground as-built maps, street lighting map pages, 480V street lighting circuit maps, steam distribution map pages and steam manhole details. The original is superseded as sketches or field changes are posted and new originals are issued to reflect these updates. They are stamped “original” and kept in flat files. Copies of the originals are made for the master book and copies are also issued for book holders. SUP = until they are physically voided by two new versions.</p>	SUP
2001	<p><u>Master Books of Sketches</u></p> <p>These books are used as a reference tool for sketch work creation and posting. Areas of work are redlined and associated with a sketch number. Separate books are maintained for each original type (see original descriptions.) Pages are superseded as sketches are posted into the GIS and CAD systems and new originals are issued. The originals are copied, then stamped “Master Book” and placed into the appropriate books. SUP = until they are physically voided by two new versions.</p>	SUP
2002	<p><u>Sketches</u></p> <p>These records document the changes made to the electric, water, streetlight, steam and chilled water systems and assets. They can be changes derived from maintenance by the crews for system integrity or a graphical representation of an agreement between the BWL and a customer for service or line extensions. This record is issued for construction for the BWL crews or outside contractors and is referenced on the master books by sketch number. Original signed sketches that are released for construction are filed numerically. They are superseded by the No. 1 upon construction completion and are posted into the GIS and CAD systems. The No. 1 is filed by quarter section numerically.</p>	PERM
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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
2003	<p><u>Project Files</u></p> <p>These files document planned and completed work for each project. Separate files are set up for each system. Files may include as built, work order, correspondence, estimates, work done report, checklists, etc.</p>	PERM
2004	<p><u>Geographic Information System (GIS)</u></p> <p>This information system is used to capture, store, analyze, retrieve and display the BWL distributions and asset data, which are geographically referenced. It currently is linked with the OMS (see item #2719), Customer Information System (CIS) and Synergee (which is a program used as a means of working with the GIS data to improve the system integrity of a circuit). The plotting tool creates the original drawing sets of primary, as-built, and electric/water distribution that are referenced on the BWL intranet. It also is used for custom maps and reports based on advanced and simple queries. The land base geography and Board assets are updated as sketches are posted into the system after construction.</p>	SUP
2005	<p><u>Computer Assisted Design (CAD)</u></p> <p>This system is used to create and store Original distribution drawings and details of assets and the sketches that affect them. Grid maps serve as an index for the GIS system drawings on the Intranet. Customized drawings are also maintained and created by request for other departments.</p>	SUP
2006	<p><u>Reference Indexes</u></p> <p>These tools are used to facilitate reference of various materials. They include databases, spreadsheets, card files, books, logs, etc.</p>	SUP
2007	<p><u>Transformer Reports</u></p> <p>These reports track transformers from purchase through removal. They identify the location, type, voltage, circuit, inspection dates, and the installation or removal sketch.</p>	PERM

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Item Number	Series Title and Description	Total Retention
2008	<p><u>Pulling Cards</u></p> <p>This record is created in the field by crews to document where the circuit is going to and from manhole to manhole. They identify the location and size of the cable, length, number of conduits and insulation. They are used to create the underground cable record and are filed by manhole number.</p>	PERM
2009	<p><u>Underground Cable Record</u></p> <p>These records document the primary circuit location from manholes through duct lines. This record is created using the information from the Pulling Card Record. Specific engineering details regarding the materials and costs of the cable are recorded. These cable records are filed by Primary number. Dead cables are labeled "OS" (out of service) and filed separately. Removed cables are also relabeled as "Removed" & filed separately.</p>	PERM
2010	<p><u>Hydrant Reports and Cards</u></p> <p>These records are used when replacing, removing and relocating hydrants. They identify the date, location, branching, valve sizes, make, main location, etc. ACT = until removed.</p>	ACT

**City of Lansing
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Item Number	Series Title and Description	Total Retention
Strategic Planning and Development--Customer Projects		
2100	<u>Demolition Request Letters</u> Utility Services receives these requests from customers indicating their desire to remove the specified utility(ies), what meter number is associated and the signature of the owner or representative party.	EVT+3
2101	<u>Permits</u> These permits are received from the Department of Environmental Quality for most water installations prior to construction. They document the installation of distribution mains (hydrants, valves, etc.). They include permits, forms, drawings, etc. ACT = until construction is completed.	ACT
2102	<u>Service Agreements</u> These files document services that will be provided to a customer and responsibilities/conditions of the service. They include agreements, site plans, correspondence, equipment cut sheets, copies of checks, easement forms, bills of ladings, etc. ACT = until construction is completed.	ACT+6
2103	<u>Service Agreement Database</u> This database tracks costs and revenue collected from service agreements. It includes the customer's name, project address, costs, revenue, activity dates, estimates, deposit amount, etc.	EXP+5
2104	<u>Easements</u> These easements are filed with the county of location to document the authority to install distribution systems and other facilities on a site. They include drawings and forms. ACT = until easement is released.	ACT
2105	<u>Third Party Pole and Joint use Agreement</u> These agreements allow telecommunications providers to use Board of Water and Light facilities to extend their distribution systems. They may include agreements, drawings, maintenance permits, etc.	EXP+6

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Item Number	Series Title and Description	Total Retention
2106	<u>Joint Use Memos</u> This correspondence documents work that will be done that affects another user of a utility pole owned by the Board of Water and Light. They are maintained with billing information. ACT = until work is completed.	ACT+6
2107	<u>Customer Files</u> These files document services provided primarily to commercial customers. They may include correspondence, drawings, revenue estimates, spot forms , permits, use agreements, copies of easements, etc. ACT = while of reference value to provide service to the site.	ACT
2108	<u>Revenue Database</u> This database is used to track estimated potential income from a customer project. It includes the project name, location, estimated kilowatt hours, power factor, average rate, billable rate, use factor, service size, etc.	FY+7 CR+8
2109	<u>Service Orders</u> These orders document work performed on a site. They include the address, size and type of service, connection date, etc.	CR+6
2110	<u>Spot Forms</u> These forms designate where meters will be placed on a building. They include drawings and forms. ACT = until the meter is installed.	ACT+3
2111	<u>Request Management System</u> This database is used to track requests for work. It describes the work sketches, assigns steps to the jobs, documents the account and billing, design requirements, specifications, etc. ACT = until the work is completed.	ACT+5
2112	<u>Rules and Regulations</u> The rules and regulations govern how we conduct business with our customer. These records document the standard provisions and services for the following utilities: electric, water, steam and chilled water. Active = until updated versions of the documents are approved by the Board of Commissioners.	ACT+3

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
Strategic Planning and Development--Laboratory and Environmental Services		
2200	<u>Logs</u> These logs track the steps taken for various processes conducted by the lab. They include the lot number log, raw data testing log, sample receipt log, sample chain of custody log, instrument repair and maintenance log, standard preparation log, microscopy log, preservation log, balance calibration log, quality assurance log, quality control log, certificate of analysis, etc.	CR+12
2201	<u>Raw Data</u> These records document what was tested and the raw (unapproved) results of those tests. They include sample information, testing results, quality control data, worksheets, cross check forms, etc.	CR+12
2202	<u>Final Analytical Reports</u> Raw data is analyzed and compiled into reports for clients. These reports may contain client information, activity dates, test notes, test methods, units used for testing, contaminants found, etc.	CR+12

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Item Number	Series Title and Description	Total Retention
2203	<p>Laboratory Information Management System Environmental Laboratory Information Management System (LIMS)</p> <p>This is an MS Access based data system where all sample information is entered and tracked from sample receipt to sample disposal. This system contains all sample information in several tables: including analytical raw and final reported data, final certificates of analysis, and analytical costs (invoices) for all samples. It includes pricing, client lists, regulatory methods and quality control data associated with all analytical analysis performed by the Environmental Laboratory. An MS Access based data system where all sample information is entered and tracked from sample receipt to disposal. This system contains all sample information including: analytical raw and final reported data, final certificates of analysis, analytical costs (invoices) pricing, client lists, regulatory methods and quality control data associated with all analytical analysis, various laboratory logs. Laboratory logs track the steps taken for various processes conducted by the lab. They include the log of lot numbers, raw data testing, sample receipt, sample chain of custody, instrument repair and maintenance, standard preparation, microscopy, preservation, balance calibration , quality assurance , quality control , and certificate of analysis, etc. Laboratory raw data records document what was tested and the raw (unapproved) results of those tests. They include sample information, testing results, quality control data, worksheets, cross check forms, etc. Raw data is analyzed and compiled into final analytical reports for clients. These reports may contain client information, activity dates, test notes, test methods, units used for testing, contaminants found, etc.</p> <p>Note: The retention for these documents is CR+10 yrs. (40 CFR 141.33) with the exception of lead & copper sampling records which have a retention period of 12 yrs. (40 CFR 141.91) minimum. These documents are stored in either paper or electronic format.</p>	CR+10
2204	<p>Environmental Laboratory Certification of Lab</p> <p>Certification documents verify that the lab is qualified to perform its duties. The files include applications, inspections, performance evaluations, annual liquor licenses, etc. Certification documents verify that the laboratory is qualified to perform its duties. The files include such documents as the certifications, applications, inspections, and performance evaluations.</p>	CR+10

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Item Number	Series Title and Description	Total Retention
2205	<p><u>Invoices</u></p> <p>These records document the cost of testing and the billing that is sent to clients. This is the official record for internal customers. General Accounting maintains the official records for external customers.</p>	FY+5
2206	<p><u>Lead and Copper Monitoring Database</u></p> <p>This database documents testing of lead and copper levels at customer addresses every three years. It includes data about samples, location of the tap, sampler, activity dates, lab results, etc.</p>	PERM CR+12
2207	<p><u>DEQ Monitoring Correspondence-Regulatory Agency Correspondence</u></p> <p>These records document monitoring schedules and plans, as well as the submission of monthly reports to the Michigan Department of Environmental Quality.</p>	CR+12
2208	<p><u>Wellhead Protection Grant</u></p> <p>These records document the activities pertaining to the wellhead protection grant from the Michigan Department of Environmental Quality. They include the grant application, financial status reports, correspondence, contracts, etc. ACT = until the grant is closed out.</p>	ACT+10
2209	<p><u>Water Production Well Field Monitoring</u></p> <p>These records document the history of well water quality. They include lab analysis reports. ACT = life of the well. These records document the historic laboratory analysis of well water quality, the Information Collection Rule, and the Unregulated Contaminate Monitoring Rule. These documents are stored in either paper or electronic format in the Environmental Services Department. The Environmental Laboratory is not responsible for the retention of this data or any associated data past the LIMS retention. ACT = life of the well.</p>	ACT
2210	<p><u>Data Acquisition Handling System (DAHS)</u></p> <p>This database stores continuous emission monitoring system (CEMS) data which is collected every 15 seconds from power plants. It generates reports that are submitted to the Michigan Department of Environmental Quality. ACT = life of the plant.</p>	ACT+5

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Item Number	Series Title and Description	Total Retention
2211	<p><u>Permits</u></p> <p>These files document water quality and air permits that are received from the Michigan Department of Environmental Quality and the Environmental Protection Agency. They include applications and the permit. This includes all materials that support the final permit, such as correspondence, requests for chemical changes.</p>	SUP
2212	<p><u>Licenses</u></p> <p>These permits are received from the Federal Energy Regulatory Commission (FERC) for dam operations. The files include the license, amendments, correspondence, reports, etc.</p>	SUP+5
2213	<p><u>Letters/Notices of Violation</u></p> <p>Various enforcement agencies may identify that a violation has occurred. These records include the letter or notice, correspondence, negotiated settlements, etc. ACT = closure.</p>	ACT+10
2214	<p><u>Coal Analysis</u></p> <p>These records document shipments of coal that are received. They document the content of moisture, ash, sulphur, heat, etc. They are divided by unit. This data is stored in the SAP database and is used to support air quality analyses. ACT = life of the plant.</p>	ACT
2215	<p><u>Remediation Site Monitoring</u></p> <p>These files document the assessment and cleanup monitoring of sites where possible contamination occurred. They include lab reports filed with the Michigan Department of Environmental Quality, correspondence, plans, blueprints, construction specifications, etc.</p>	PERM
2216	<p><u>Spill Files</u></p> <p>These records document when and where a spill occurred, the responsible party, and cleanup activities. They include complaints, reports, correspondence, etc.</p>	PERM

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Item Number	Series Title and Description	Total Retention
2217	<p><u>Waste Manifests and Characterization</u></p> <p>These records document the disposal of hazardous waste. They include the date, contents, amount, final disposition, transporter, etc. These records document determinations of what a waste contains, how it is handled, how it is stored, and how it is disposed of. Examples of these records include: Material Safety Data Sheets, vendor waste profiles, certifications of waste profiles, notes to file, waste profiling, engineering estimates, process descriptions, analytical. Note: The Environmental Laboratory is responsible for this data or any associated data past the LIMS retention.</p>	PERM
2218	<p><u>Soil Erosion Inspection</u></p> <p>These records document the inspection of BWL projects for compliance with Soil Erosion and Sedimentation Control rules (Part 91 of PA 451).</p>	CR+3
2219	<p><u>Drinking Water Production & Distribution Disinfection Byproducts</u></p> <p>These records document compliance with Safe Drinking Water Act requirements. Examples of these records include: reports, correspondence, monitoring plans, spreadsheets, historical records of violation identified by various enforcement agencies, letter/notices of violation identified by various enforcement agencies, activities by others that may impact BWL properties, public hearings, and meeting notes. Note: The Environmental Laboratory is responsible for this data or any associated data past the LIMS retention.</p>	CR+10
2220	<p><u>Drinking Water Production & Distribution Corrosion Control Parameters</u></p> <p>These records document compliance and noncompliance with Safe Drinking Water Act requirements. Examples of these records include: reports, correspondence, monitoring plans, spreadsheets, historical records of violation identified by various enforcement agencies, letter/notices of violation identified by various enforcement agencies, surveys, evaluations, schedules, department determinations, activities by others that may impact BWL properties, public hearings, and meeting notes. Note: The Environmental Laboratory is responsible for this data or any associated data past the LIMS retention.</p>	CR+12
2221	<p><u>Hazardous Waste Manifests</u></p> <p>These records document the disposal of hazardous waste. They include the</p>	PERM

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Item Number	Series Title and Description	Total Retention
	<p>date, contents, amount, final disposition, transporter, laboratory analysis, etc. These records can be generated by various BWL departments. It is the responsibility of the generating department to send manifests (post 2005) to Environmental Services where the manifests will be stored. Manifests from 2005 and earlier may be located either with the corresponding project, in the generating department, or in Environmental Services.</p>	
2222	<p><u>Non-Hazardous Waste Manifest or disposal document</u></p> <p>These records document the disposal of non-hazardous waste. Non-hazardous wastes are inert materials generated/produced as a result of BWL operations or activities. These records can be generated by various BWL departments and include information such as the date, contents, amount, final disposition, transporter, etc. It is the responsibility of the generating department to send manifests (post 2005) to Environmental Services where they will be stored. Manifests from 2005 and earlier may be located either with the corresponding project, in the generating department, or in Environmental Services.</p>	CR+25
2223	<p><u>Asbestos Waste Shipment Record</u></p> <p>These records document the disposal of asbestos. They include the date, contents, amount, final disposition, transporter, etc. These records can be generated by various BWL departments. It is the responsibility of the generating department to send the Waste Shipment Record (post 2005) to Environmental Services where it will be stored. The Waste Shipment Records from 2005 and earlier may be located either with the corresponding project, in the generating department, or in Environmental Services.</p>	CR+25

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Item Number	Series Title and Description	Total Retention
2224	<p><u>Environmental Response Closure Reports</u></p> <p>These records pertain to closure of remediation sites, spill closure, underground and aboveground tank closure, response activities by other parties that may impact BWL properties, etc. These records include assessment, cleanup and monitoring of remediation sites where contamination was removed or otherwise remediated and may include laboratory documents, correspondence, complaints, plans, blueprints, construction specifications, well construction logs, soil boring logs, and reports. These records also include documents recording when and where an underground or aboveground tank is installed or removed, tank registration documentation, when and where a spill occurred, the responsible party, and cleanup activities. They do not include annual tank registration fees which are maintained by Financial Services. Note: The Environmental Laboratory is responsible for this data or any associated data past the LIMS retention.</p>	CR+50
2225	<p><u>Environmental Due Diligence Reports</u></p> <p>These records include all Environmental Phase I and Phase II Site Assessments (ESA Phase I and ESA Phase II), Baseline Environmental Assessments (BEA), Remedial Action Plan (RAP), etc. ACT = Life and/or sale of the facility. Note: The Environmental Laboratory is responsible for this data or any associated data past the LIMS retention.</p>	ACT+7
2226	<p><u>Environmental Permit/License and related reporting, monitoring, & documentation</u></p> <p>These records document compliance with water quality, air quality, storage tank regulations, and various operational requirements of applicable permits and licenses from federal, state, and local governing bodies. Examples of these records include: permit applications with supporting documentation, final permits with supporting documentation, licenses with supporting documentation, amendments, correspondence, reports, plans, testing, data acquisition systems, inspection documents, audits, historical records required to verify compliance with regulations, letters/notices of violation from enforcement agencies, negotiated settlements, maps, drawings, blueprints, photos, analytical, fees and documentation, chemical approvals, activities by others that may impact BWL properties, public hearings, and meeting notes. Note: The Environmental Laboratory is responsible for this data or any associated data past the LIMS retention.</p>	EXP+7

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2227	<p><u>Environmental Remediation and related reporting, monitoring, & documentation</u></p> <p>These records document compliance and noncompliance with water quality, air quality, and various operational requirements through the obtaining of applicable orders and agreements from federal, state, and local governing bodies. Examples of these records include: permit applications with supporting documentation, final permits with supporting documentation, licenses, amendments, correspondence, reports, plans, testing, data acquisition systems, inspection documents, audits, historical records required to verify compliance with regulations, letters/notices of violation identified by various enforcement agencies, negotiated settlements, maps, drawings, blueprints, photos, analytical, fees and documentation, chemical approvals, activities by others that may impact BWL properties, public hearings, and meeting notes. Note: The Environmental Laboratory is responsible for this data or any associated data past the LIMS retention.</p>	ACT+50
2228	<p><u>Environmental Soil Boring and Well logs</u></p> <p>These records document soil borings and geotechnical borings and the installation or abandonment of monitoring wells, drinking water production wells, test wells, etc.</p>	PERM

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Item Number	Series Title and Description	Total Retention
Strategic Planning and Development--Bulk Power		
2300	<u>Bulk Power Controllers Log Sheets</u> This spreadsheet is used to record electrical power transactions to calculate the amount purchased and sold. Two files are created for each day, a Day Ahead (DA) file which frozen and a Real Time (RT) file which updated throughout the day.	FY+7
2301	<u>Belle River Correspondence</u> These records document the amount of power purchased throughout each day from Detroit Edison's Belle River plant. It shows the amount available at the time and the amount that the Board of Water and Light wants to purchase for itself and the Michigan Public Power Agency.	FY+7
2302	<u>Phone Recordings</u> Bulk Power Controller's and other designated employees' calls are recorded to document purchase transactions, switching activities, etc.	CR+4
2303	<u>Generation Schedules</u> These spreadsheets are generated weekly and contain plans for the amount of power to be produced for the next four weeks.	CR+5
2304	<u>Restriction Notices</u> This database documents restrictions on power production, such as the cause, megawatts, timeframes, etc. They are prepared by electrical plant operators.	CR+5
2305	<u>Belle River Bills</u> This monthly bill is received from the Michigan Public Power Agency to document the amount of power that was purchased from Detroit Edison's Belle River plant. Back up files are received from Detroit Edison. Monthly bills and back up files are compared to energy scheduled and received and are used to conduct detailed reconciliations of the billing.	FY+7

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
2306	<p><u>Pool Billing Statements</u></p> <p>These monthly bills are received from the Michigan Public Power Agency accompanied by several detailed backup files to document the amount of money received for the sale of power and the amount of power sold. They contain both the current month's statement and revisions to previous statements.</p>	FY+7
2307	<p><u>MISO Invoices and Statements</u></p> <p>These records are downloaded daily and weekly into a data warehouse. They document purchases and sales transacted through the Midwest Independent System Operator (MISO) network. They are used as backup documentation for billings.</p>	FY+7
2308	<p><u>Check Out Records</u></p> <p>These records are received via e-mail to confirm the amount of power that is purchased and sold with utilities that the Board of Water and Light contracts with, and Belle River.</p>	FY+7
2309	<p><u>Monthly Reconciliations</u></p> <p>This spreadsheet is used to reconcile financial statements and budgets, and is used to explain variances.</p>	FY+5
2310	<p><u>Trading Files</u></p> <p>These records document the sale of bulk power to other utilities. They include sale/purchase agreements, contracts, phone recordings of deals, etc.</p>	EXP+6
2311	<p><u>Meter Data</u></p> <p>This data is collected throughout the day to record hourly flows of power by users. It is provided to the Michigan Public Power Agency to generate bills and used by the Board for analysis.</p>	CR=7 PERM
2312	<p><u>Gross and Net Generations Reports</u></p> <p>These reports are generated monthly to show gross and net generation at the Board of Water and Light's electrical power plants as well as related information.</p>	CR+10 PERM

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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2313	<u>Aerial Surveys</u>	CR+5
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These surveys are conducted annually to document the supply of coal, and are used for adjustments.

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Strategic Planning and Development--Marketing & Business Strategies		
2350	<u>Appliance Recycling Waiver of Liability</u> These records are carbon copy forms for customer signature releasing BWL from liability related to appliance recycling program.	CR+2
2351	<u>Customer Media Release Forms</u> The records are forms for customer signature permitting BWL to use customer images and testimonials for promotional purposes.	CR+2
2352	<u>Renewable Energy Reports</u> These monthly reports provide a snapshot of how many blocks of renewable energy were sold, the number of customers served and the amount of revenue generated.	CR+10

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Service Production and Delivery General Files		
Note: These records can be found in multiple offices.		
2400	<u>Safety/Tailgate Meetings</u> These meetings may be held daily, weekly, monthly, or in relation to a specific job. They are briefings about the work to be done and the safety precautions that should be followed. The records may include an agenda, safety flyers, notes, and signed attendance sheets.	CR+1
2401	<u>Leave Approvals</u> These records document a supervisor's approval of an employee's use of sick leave, annual leave, overtime, etc. They are supporting documentation to the official timekeeping records maintained by Payroll. If Payroll maintains this information, then the supervisor/employee do not need to maintain these records.	CR+1
2402	<u>Timekeeping</u> These records include sheets or cards that document the exact hours worked by an employee and are maintained by the department . They are supporting documentation to the official timekeeping records maintained by Payroll.	CR+1
2403	<u>Overtime/Ranking/ Standby Records</u> These records are used by supervisors to schedule employees who are part of bargaining units to regular work assignments and overtime assignments to balance the number of hours worked. They include periodic reports of regular time and overtime assigned and used.	CR+3 1
2404	<u>Tailgate Hazard Identification Forms</u> These records are completed at a job site to document that employees were informed of potential hazards at the site. Employees must sign the forms to demonstrate that they were briefed and that hazards were removed or controlled.	CR+5

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
2405	<p><u>Curriculum Materials</u></p> <p>These materials form the curriculum that is used to train employees about various topics and issues. They may include manuals, handouts, presentations, course outlines and descriptions, audio visual materials, master tests and answer sheets, etc. SUP = until materials are revised or the course is eliminated from the curriculum.</p>	SUP
2406	<p><u>Training Files</u></p> <p>These records document training events. They may include logistical information, course summaries, sign in sheets, testing, certificates, etc.</p>	CR+5
2407	<p><u>Confined Space Entry Certification and Permit</u></p> <p>These forms document that employees were qualified and permitted to enter confined spaces. They identify the date, location, precautions, equipment, potential hazards, etc. 29 CFR 1910.1020.</p>	CR+30
2408	<p><u>Lock-out/Tag-out Forms</u></p> <p>These tags are placed on equipment to prohibit and suspend its use while work is being performed on the respective equipment in question. It alerts staff that they should not work on the equipment at the present time. ACT = until the suspension is released. Note: per MIOSHA, these tags may be used as supporting documentation for inspections of procedures.</p>	ACT+5
2409	<p><u>Clearance Tag Log Books</u></p> <p>These books document where lock-out tags are placed. ACT = until the tag is removed.</p>	ACT+5
2410	<p><u>Hazardous Material Safety Data Sheets</u></p> <p>Federal law [OSHA 29 CFR 1910.1200.g] requires that employers provide Material Safety Data Sheets to staff regarding any hazardous material on the premises. These sheets include information about the product manufacturer, composition, physical and chemical properties, identification of hazards, fire hazard, accidental release measures, handling and storage, first aid measures, toxicology, ecological information, disposal and transport considerations, regulatory information, etc. These records are maintained where they are readily available by employees working with or near the</p>	ACT+30

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**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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materials. ACT= while the hazardous material being used or stored is on the property.

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Electric Operations--Electric Production		
2500	<u>Equipment Files</u> These files document maintenance of equipment, including transmitters, motors, generator brushes, etc. They include calibration information, repair history, specifications, shop drawings, manuals, etc. ACT = life of equipment.	ACT
2501	<u>Supplies of Calibration Gases</u> These records document the number of cubic feet of gas received from suppliers.	CR+1
2502	<u>CEMS Log Book</u> The Continuous Emission Monitoring System (CEMS) tracks maintenance work done on monitors.	CR+3
2503	<u>Rata Test Reports</u> These records document tests of stack flows and emissions. They are used to monitor that levels are within guidelines. They are conducted every two years or more frequently if there is a problem.	CR+3
2504	<u>Motor Inventory</u> This inventory lists items that are kept in storage.	SUP
2505	<u>Operator Reports</u> These reports are generated from the Utility Production Performance System (UPPS). They document operation of the equipment and include daily and hourly logs of temperature, pressure, integration, flows, megawatts, megavars, levels, etc. They are used to document efficiency of boilers, turbines, etc.	CR+6
2506	<u>Utility Production Performance Systems (UPPS)</u> This database contains daily and hourly data about temperature, pressure, integration, flows, megawatts, megavars, levels, etc. It is used to generate bills and document efficiency of boilers, turbines, etc.	CR+10

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
2507	<u>Oil Burned</u> This monthly report documents the amount of oil delivered and burned, and the inventory available at the end of the month.	CR+1
2508	<u>Oil Logs</u> This monthly report is generated from mainframe data and is used to document the amount of oil used in mills for startup and shut down.	CR+5
2509	ECAR-MOD24 Tests The East Central Area Reliability (ECAR) tests document reliability and sustainability of production. They are used to get generation payments.	CR+5
2510	<u>FERC and EIA Reports</u> These monthly and annual reports are submitted to the Federal Energy Regulatory Commission (FERC) and the Energy Information Administration (EIA) to document oil, coal usage and generation.	CR+5
2511	<u>Eckert (EK) Log</u> This log documents daily/monthly/annual operations of plants, including boiler, turbine, and personnel activities.	CR+6
2512	<u>Fire Suppression Reports</u> These reports are created monthly, quarterly and annually by a contractor to document inspections of systems and equipment.	CR+5
2513	<u>Pollution Incident Prevention Plan (PIP) Inspection Sheets</u> These records document the prevention of spills, including oil and gas leaks, chemical storage and containment areas.	CR+5
2514	<u>Operator Check Down Sheets</u> This log documents daily inspections for potential hazards.	CR+6
2515	<u>Boiler/Turbine Operating Data</u>	CR+6

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
	This data documents the daily functioning of boilers and turbines.	
2516	<u>EFCA Factor Reports</u>	CR+5
	The Electric Fuel Cost Adjustment (EFCA) factor reports are generated monthly to document the amount spent for fuel to generate a factor for customer billing. Data is entered into SAP.	
2517	<u>Aerial Surveys</u>	CR+5
	These surveys are conducted annually to document the supply of coal, and are used for adjustments.	
2518	<u>Waybills</u>	CR+5
	These documents contain unload information about coal shipments that are received, including the volume, weight, car initial and car number.	

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Electric Operations--Facilities, Maintenance, Construction Resource Center and Fleet		
2600	<u>Equipment Files</u> These files document major events associated with maintenance of equipment. They may include blueprints, diagrams, work orders, reports, welding quality control, test programs, test results, outage inspections and reports, vendor inspections and repair, operational data of turbines and generators, photos of parts, drawings of parts, etc. ACT = life of equipment.	ACT
2601	<u>Work Orders Database</u> This database is used to These documents keep track of maintenance work performed on mechanical equipment. It contains the activity dates, amount of time spent, employee assigned, and a description of the work performed. ACT = Life of equipment.	ACT
2602	<u>Boiler Quality Control Files</u> These records document work performed on boilers to ensure quality control. They may include RWR forms, non-conformance reports, ASME manufacturer's data reports, partial and 100% radiographic film, interpretation sheets, ultrasonic examination reports, etc.	CR+5
2603	<u>Toolbox Inventory</u> These records document tools that were assigned to staff. They identify the item issued, employee, date distributed, date returned, etc.	SUP
2604	<u>Vehicle Files</u> These files document maintenance of vehicles. They may document equipment added to the vehicle, maintenance work, repairs, installation, part information and specifications, monthly inspections, unit master serial numbers, correspondence, etc. ACT = life of vehicle.	ACT
2605	<u>Vehicle Database</u> This database is used to track activity and maintenance of equipment by unit number. It includes the unit master, maintenance history, repair orders, purchase and sale information, inspections, work orders, etc. ACT = life of equipment.	ACT
<hr/> PERM = Permanent ACT = Active EVT = Event SUP = Superseded EXP = Expiration Date CR = Creation Date FY = Fiscal Year DISP = Immediate Disposal		

**City of Lansing
Board of Water and Light
Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
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2606	<u>Fleet Audits</u>	CR+6
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These records document audits of the fleet. They may include annual photos of the vehicle, and document mileage, condition ratings, engine hours, locations where assigned, descriptions, etc.

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Electric Operations--Electric Delivery		
2700	<u>Work Sketches</u> These records document electrical work that is requested. They are used to schedule and plan (including ordering supplies) work to be performed. They contain a description of the work, activity dates, requestor contact information, account numbers, approvals, notes, sketches of the work, etc. ACT = until work is completed.	ACT+1
2701	<u>Mobile Resources Management</u> This database tracks employee assignments, progress of the project, and the location of the crew. ACT = until the project is completed.	ACT+5
2702	<u>Service Orders</u> These requests are received from various areas such as Customer Service, Forestry Line, Electric Delivery Customer Line, and Customer Request for Investigation (list not exclusive) and are used to send crews out and assign tasks. Areas such as Vegetation Management, Metering, and System Integrity will receive and resolve service orders. ACT = Until the service order is closed.	CR+6 ACT+5
2703	<u>MapCon</u> This database is used to schedule routine maintenance work and inspections. It contains a full inventory of substations, equipment, traffic signals and intersection equipment. The inventory is updated as materials are used. It also documents the maintenance schedules of equipment, documents when work is performed, and contains accounting codes for billing.	FY+7
2704	<u>Customer Issues</u> These files document complaints and concerns raised by both external and internal customers, as well as their resolution. ACT = until complaint is resolved.	CR+5 ACT+3
2705	<u>Damage Reports</u> These records document repair work done on damaged equipment. It contains the location of the equipment, activity dates, description of damage	CR+3

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
	and repairs, supervisor, crew, truck number, account number, etc.	
2706	<u>Free Work Orders</u>	ACT
	These records are generated from complaints from customers that trees need to be trimmed. They include the work order, notes, and a plan to complete the work. ACT = until the work is completed.	
2707	<u>Tree Trimming Plans</u>	CR+10+5
	These plans are produced every 5th year per quarter section to identify tree trimming work that will be needed in upcoming years. The records may include the plan, documentation of work performed, an audit by the forester after the work is completed, and data maintained by the contractor who performs the trimming.	
2708A	<u>Planned Program Maintenance - Electrical Poles</u>	ACT+10
	These periodic plans document work that will be done on electrical poles. They include the initial plan, reports, work orders, notes, copies of billing documents, specifications for the work, photos, re-checks, etc. ACT = until the project is completed.	
2708B	<u>Planned Program Maintenance – Other</u>	ACT+5
	These periodic plans document work that will be done on electrical distribution systems. They include the initial plan, reports, work orders, notes, copies of billing documents, specifications for the work, photos, re-checks, etc. ACT = until the project is completed.	
2709	<u>Program Maintenance</u>	ACT+10
	These records document maintenance work performed on electric equipment and protection systems. The work is initiated by plant requests, planned activities and emergencies. Testing of the system integrity is conducted every 2-5 years to identify work that needs to be done. These records may contain work orders and reports. ACT = until the project is completed.	

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
2710	<p><u>Rubber Goods Testing and Certification</u></p> <p>These records document testing and certification of products used by line crews and electricians for protection. Testing data will be received with the product from the manufacturer, and products may be re-tested internally as needed. These records include the test reports with the product's identification number, and supporting documentation. ACT = while the product is in use.</p>	ACT+5
2711	<p><u>Planning for Electrical System Integrity</u></p> <p>These plans are established based upon studies of system availability to ensure adequate voltage, potential load, new/lost generation, etc. They include an analysis of the total electrical grid, and may document issues with specific customers or geographic areas. The records include studies, reports, supporting documents, etc. ACT = while documents support an active portion of the grid.</p>	ACT
2712	<p><u>Customer Metering Data</u></p> <p>These records document the location of meters, the type of service provided, and the characteristics of the meter. ACT = while meter is in service.</p>	ACT
2713	<p><u>Meter Testing Data</u></p> <p>All meters are tested every 2-10 years for accuracy to support billing. These records include test results and reports. ACT = while meter is in service.</p>	ACT
2714	<p><u>Investigations</u></p> <p>These records document investigations into customer concerns about voltage, radio frequency, harmonics, etc. They include work orders and reports. ACT = until issue is resolved.</p>	ACT
2715	<p><u>Energy Management Systems (EMS)</u></p> <p>This database monitors the health of the electrical grid system. It gathers power and generation data (such as loading on circuits, circuit trips, substation entry, fire alarms, etc.) at the substations by the minute throughout every day. It is also used to document distribution to customers and transmission (buying and selling) of power.</p>	CR+5

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
2716	<p><u>Executed Switching Orders</u></p> <p>These orders document the steps of switching activities that were performed. They include operator log books, tailgate reports, etc.</p>	CR+2
2717	<p><u>Trouble Calls</u></p> <p>These records document when customers report power outages and problems.</p>	CR+3
2718	<p><u>Outage Management Systems (OMS)</u></p> <p>This database is used to diagnose problems when trouble calls come in to quickly identify the source of the problem. It tracks problems and repairs, is used to dispatch crews, and may be used to distribute the work. It contains activity stamps and is used for reporting.</p>	CR+6
2719	<p><u>Scheduled Outages</u></p> <p>This file contains notifications to customers about the timing a reason for scheduled outages.</p>	CR+5
2720	<p><u>Root Cause Report</u></p> <p>This report identifies the incident that caused an outage and the damage done. It is sent to the area responsible for investigation so it can identify how the situation will be fixed.</p>	CR+5
2721	<p><u>Inspection Log</u></p> <p>This log documents audits of lock-out and safety activities.</p>	CR+5

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**City of Lansing
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Item Number	Series Title and Description	Total Retention
Water Operations--Water Production		
2800	<u>Water Production and Distribution Records</u> These records document the production of potable water for municipal supply. They include reaction records, hourly pumpage sheets, filter sheets, chemical feed sheets, hourly reading sheets, log books, well logs, well reading sheets, chemical log sheets, etc.	CR+1 20
2801	<u>Month End Reports</u> These reports are submitted to the Department of Environmental Quality to document treatment averages within the month, such as the treatment rate, chemicals used, bacteriology, etc.	CR+1 20
2802	<u>Work Orders</u> These records are maintained in the MapCon database (see item #2704). They document who is assigned to work on a job and the time spent on repairs, maintenance, failures, etc. Paper input documents are retained for 2 months in Operations and 1 year in Maintenance.	CR+1 08

**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
Water Operations--Water and Steam Delivery		
2900	<u>Service Orders</u> These records document requests for water or steam service. They typically contain customer contact information, date of request, and a job description.	CR+6
2901	<u>Customer Capture Issue</u> These records document customer issues and indicate the main category of the issue, the issue date, relevant comments, the assignment, and resolution. ACT = until resolved.	ACT+13
2902	<u>Water Distribution Shop Order</u> This record documents a request for work to be performed on water distribution infrastructure that is not directly related to a customer. Examples of the type of work performed are: hydrant repair, valve repair, water main repair, site restoration, etc.	PERM
2903	<u>Hydrant Usage Permits</u> This record documents the issuance of a permit to companies or contractors to use BWL hydrants. The permits are non-transferable and expire on December 31st of the year they are issued.	EXP+1
2904	<u>Service Investigation Orders</u> These orders are used to request repairs to broken meters, re-locate remote read registers, address anomalies in billing, identify who is using the service, investigate why no service is received, and request new meter installations. ACT = upon completion of the investigation.	CR+3 Act+10
2905	<u>Cross Connection Inspection Form</u> This form is used by trained BWL personnel to inspect a water customer's premises for existing or potential cross connections to the BWL water distribution system. A cross connection is defined as a physical interconnection, arrangement or condition of the customer's plumbing through which the potable water furnished by the Board's water distribution system could become contaminated if backflow takes place.	CR+6

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**City of Lansing
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Records Retention and Disposal Schedule**

Item Number	Series Title and Description	Total Retention
2906	<u>Water Department Overtime Availability</u> This record documents the schedule of dates individuals are available to work overtime during specific weeks, such as June 18 – June 24.	CR+ 3 1
2907	<u>Permits</u> These permits are received from the Department of Environmental Quality for most water installations prior to construction. They document the installation of distribution mains (hydrants, valves, etc.). They include permits, forms, drawings, etc. ACT = until construction is completed.	ACT

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GENERAL SCHEDULE #1 – Non-records

This Retention and Disposal Schedule revises General Schedule #1 that was approved on December 15, 1998.

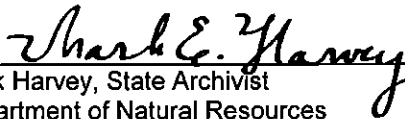
This Retention and Disposal Schedule covers materials that are classified as "non-records." These materials are common to most departments in state government. We, the undersigned, believe that the materials described in this schedule have no administrative, legal, fiscal and archival value to the State of Michigan.



4/17/15

Brice Sample, Records Manager
Department of Technology, Management and Budget
Records Management Services

Date



4/30/15

Mark Harvey, State Archivist
Department of Natural Resources
Archives of Michigan

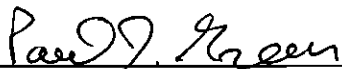
Date



5/29/15

Thomas Quasarano, Assistant Attorney General
Department of Attorney General
State Operations Division

Date



6/25/15

Paul Green, Director of Administration
Office of the Auditor General

Date

APPROVED

1 - 9918

State Administrative Board

7 14 15

Date

State of Michigan
Department of Technology, Management & Budget - Records Management Services
Records Retention and Disposal Schedule

General Schedule #1: Non-record Materials

Item Number	Series Title	Agency Retention	Total Retention	State Administrative Board Approval Date
GS1 -	<u>Non-record Materials</u>	ACT	ACT	07/14/2015

Non-record materials are recorded information that are in the possession of an agency, but are not needed to document the performance of an official function. An agency's disposition practices needs to include managing non-record materials, because their volume may exceed that of records that do document official functions.

Examples of non-records may include:

- Draft documents that are replaced by new or final versions. Drafts that are not needed to document the development of the final record. Drafts that are not required to be retained by an agency-specific schedule.
- Duplicate copies of a document that are retained for convenience of reference.
- Information that does not document official activities.
- Letters of transmittal (including routing slips) that do not add any information to the transmitted material.
- Notes and recordings that have been transcribed into another format for record retention.
- Publications that are received from outside sources that are retained for reference purposes, such as newsletters, brochures, catalogs, books, professional development materials, etc.
- Mass mailings, notices, flyers, etc. that are received for informational purposes.
- Advertisements, spam and junk mail.
- Tracking documents or tools that are used to ensure that all steps in a business process take place, but are not the official documentation of the action or activity.
- Research and reference materials that are collected from outside sources, but are not needed to document how the final decision is made.

ACT = Non-record materials can be disposed of when they are no longer needed for reference purposes.

GENERAL SCHEDULE #26 – Local Government Human Resources

This Retention and Disposal Schedule covers records that are commonly found in the **Human Resources** offices of counties, cities, townships, villages, public schools, local authorities, public colleges and public universities. The records that are described on the attached pages are deemed necessary (1) for the continued effective operation of Michigan government, (2) to constitute an adequate and proper recording of its activities, and (3) to protect the legal rights of the government of the State of Michigan and of the people. We, the undersigned, believe that this schedule meets the administrative, legal, fiscal and archival requirements of the State of Michigan.

David Van de Grift

July 31, 2008

David Van de Grift, President

(Date)

Michigan Chapter of the International Public Management Association for Human Resources

Debra Gearhart

Aug. 06, 2008

Debra Gearhart, Director

(Date)

Department of History, Arts and Libraries, Records Management Services

Mark Harvey

8/28/08

Mark Harvey, State Archivist

(Date)

Department of History, Arts and Libraries, Archives of Michigan

APPROVED

10/7/08

State Administrative Board

(Date)

GENERAL RETENTION SCHEDULE #26 LOCAL GOVERNMENT HUMAN RESOURCES INTRODUCTION

Public Records

The Michigan Freedom of Information Act (FOIA) ([MCL 15.231-15.246](#)) defines public records as recorded information “prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created.”

Retention and Disposal Schedules

Michigan law (MCL [399.5](#) and [750.491](#)) requires that all public records be listed on an approved Retention and Disposal Schedule that identifies the minimum amount of time that records must be kept to satisfy administrative, legal, fiscal and historical needs. Local situations may require retention beyond the periods listed, and nothing prevents an office from retaining records longer than the specified period of time. Schedules also identify when records may be destroyed, and when certain records can be sent to the Archives of Michigan for permanent preservation.

Records cannot be destroyed unless their disposition is authorized by an approved Retention and Disposal Schedule. All schedules are approved by the Records Management Services, the Archives of Michigan and the State Administrative Board. There are two types of schedules that government agencies may use:

- A “general schedule” will cover records that are common to a particular type of government agency, such as a human resources office. General schedules may not address every single record that a particular office may have in its possession. *General schedules do not mandate that any of the records listed on the schedule be created.* However, if they are created in the normal course of business, the schedule establishes a minimum retention period for them.
- Any record that is not covered by a general schedule must be listed on an “agency-specific schedule” that will address records that are unique to a particular government agency. Agency-specific schedules always supersede general schedules. Agency-specific schedules only address the records of the agency named on the schedule, and may not be used by another agency.

This schedule covers personnel and payroll records maintained by local governments including counties, cities, townships, villages, school districts, local authorities, public colleges and public universities.

Unofficial Documents

General Schedule #1 addresses the retention of “nonrecord” materials. These documents are broadly defined as drafts, duplicates, convenience copies, publications and other materials that do not document agency activities. These materials can be disposed of when they have served their intended purpose. Government agencies need to identify the “office of record” when multiple offices possess copies of the same record. The “office of record” is responsible for

following the retention period that is specified, duplicates do not need to be retained. A more comprehensive definition of “nonrecords” can be found in the approved schedule (available online at http://www.michigan.gov/documents/hal_mhc_rms_GS1_local_110758_7.pdf).

Record Maintenance

Records can exist in a wide variety of formats, including paper, maps, photographs, microfilm, digital images, e-mail messages, databases, etc. The retention periods listed on this general schedule do not specify the format that the record may exist in, because each government agency that adopts this schedule may choose to retain its records using different recording media. Government agencies are responsible for ensuring that all of their records (regardless of format) are properly retained and remain accessible during this entire retention period. All records need to be stored in a secure and stable environment that will protect them from tampering, damage and degradation. Electronic records are dependent upon specific hardware and software to be accessed and used. It is important to understand that the original technology that is used to create electronic records will eventually become obsolete. As a result, government agencies should work with their information technology staff to develop preservation plans for retaining electronic records with long-term (more than 10 years) retention requirements. Various laws (including the Records Reproduction Act, [MCL 24.401-24.406](#)) identify acceptable formats for retaining public records; agencies are responsible for understanding and complying with these laws.

Suspending Destruction

Government agencies must immediately cease the destruction of all relevant records (even if destruction is authorized by an approved Retention and Disposal Schedule) if they receive a FOIA request, if they believe that an investigation or litigation is imminent, or if they are notified that an audit, investigation or litigation has commenced. If relevant records exist in electronic formats (such as e-mail, digital images, word processed documents, databases, backup tapes, etc.), the agency may need to notify its information technology staff. Failure to cease the destruction of relevant records could result in penalties.

HAL Can Help!

The State of Michigan Records Management Services is available to assist government agencies with their questions about record retention and acceptable recording media. Agencies may contact the Records Management Services at (517) 335-9132. Additional information is also available from the Records Management Services’ website <http://www.michigan.gov/recordsmanagement/>, including records management manuals, general schedules, e-mail retention guidelines, microfilming standards and digital imaging standards, etc.

General Retention Schedule #26
Local Government Human Resources

Item Number	Series Title and Description	Total Retention
Personnel		
100A	<u>Personnel Files</u>	ACT+6
	<p>These files are maintained on each employee of the local government. They document hiring, promotion, demotion, transfer, layoff, performance, discipline, termination, etc. They may include employment applications and resumes, job descriptions and classification history, clippings, correspondence, service record change forms, attendance, evaluations, investigations, COBRA, training records, blood borne pathogen training, contracts, disciplinary records, layoff notices, recall notices, apprenticeships, transcripts, tuition reimbursement, policy acknowledgements, property sign-out forms, certifications, current driver's licenses, driving records, police accident reports, exit interviews, severance agreements, etc. ACT = term of employment.</p>	
100B	<u>Personnel Files—Temporary Employees</u>	ACT+6
	<p>These files are maintained on all temporary, seasonal and student employees. They may contain the same documents listed in item #100A, as well as work permits and certificates of age for minors. ACT = term of employment.</p>	
100C	<u>Personnel Files—Contractual Employees</u>	EXP+6
	<p>These files are maintained on all contractual employees. They may include 1099 forms, W-9 forms, verification of insurance, copies of contracts, etc.</p>	
101	<u>Employee Database</u>	ACT+6
	<p>Local governments may maintain electronic data to administer personnel and payroll functions including timekeeping, tenure, payroll, retirement, etc. ACT = term of employment.</p>	
102	<u>Employment Verification Forms</u>	CR+30 days
	<p>These forms are received from mortgage or credit companies that want to verify the employment status of an employee.</p>	
103	<u>Background Files</u>	ACT+6
	<p>These files document that the local government conducted appropriate background checks on employees. These files may contain release forms</p>	

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Item Number	Series Title and Description	Total Retention
	to conduct criminal history checks, fingerprint checks and professional conduct checks, and the results of those checks. They may also include driving records, drug and alcohol tests, physical exam results, polygraph test results, credit history reports, etc. ACT = term of employment.	
104	<u>Medical Files</u>	ACT+30
	These files document private medical information for a specific employee, including disability accommodations. They may contain insurance forms, physician correspondence, tuberculosis tests, polygraph test results, off-work notices, Family Medical Leave Act forms and requests, long and short-term disability paperwork, drug and alcohol tests, physical exams, accident reports, personal requests, etc. [29 CFR 1910.1020(d)] These records must be retained separately from personnel files (see item #100A). The medical records of employees who have worked for less than 1 year for the employer need not be retained beyond the term of employment, if they are provided to the employee upon the termination of employment. ACT = term of employment. Note: this series does not include the official copy of insurance claims, which are usually retained by the business or finance office.	
105	<u>Employee Test Results</u>	CR+6
	Some employees attend professional development, continuing education, licensing and/or certification training. These records will document the results of tests that employees may take when completing these courses. Other training records are kept in the employee file (see item #100).	
106	<u>Commercial Drivers License Test Results</u>	CR+5
	Employers of individuals holding commercial drivers licenses maintain records about their alcohol misuse and controlled substances use prevention programs. These records contain test results for alcohol or controlled substances, test refusals, driver evaluations and referrals, calibration documentation, test administration documents, calendar year summaries, etc. 49CFR382.401.	
107	<u>I-9 File</u>	EVT
	Federal Form I-9 includes verification by employers of identity and immigration status of all new employees. These files will contain Employment Eligibility Verification form, copy of one document from List A or copy of one document from List B and C. This file may also include a copy of driver's license and any Department of Homeland	

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Item Number	Series Title and Description	Total Retention
	Security correspondence and subsequent documentation regarding “no match” verification. Note: These files are maintained separately from the basic personnel file. EVT = 8 CFR 274 a.2 (1998) requires that employers maintain signed copies of I-9 forms for 3 years after the date of hire or one year after termination, whichever is later.	
108	<u>Policies and Procedures</u>	SUP+6
	These records document employee policies and procedures adopted by the local government. Drafts and other development documents should be retained until the final document is adopted.	
109	<u>Grievances</u>	ACT
	These files document employee grievances against the local government and the resolution of the grievance. They may include written grievances, correspondence, summary sheets, legal documents, employee history information, etc. ACT = until the contract that the grievance is related to expires.	
110	<u>Complaints</u>	ACT+6
	These records document the filing and investigation of a complaint. Complaints may relate to affirmative action, sexual harassment, labor practices, disability issues, etc. ACT = until complaint is dismissed or resolved.	
111	<u>Investigations</u>	ACT
	If an employer has reasonable cause to believe that an employee is engaged in criminal activity which may result in loss or damage to the employer’s property or disruption of the employer’s business operation, and the employer is engaged in an investigation, then the employer may keep a separate file of information relating to the investigation. ACT = upon completion of the investigation, if disciplinary action is not taken (MCL 423.509). If disciplinary action is taken, the investigation file shall be retained for 4 years after the completion of the investigation. A disciplinary report will be retained in the employee’s personnel file (see item # 100A).	

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Item Number	Series Title and Description	Total Retention
112	<u>Benefit Plans</u> These documents define the terms of benefit plans that are available to employees. These files may include the plan documents, plan descriptions, reports, etc.	SUP+6
113	<u>Employee Injury Records—Exposure</u> These files include any reports of accidents or injuries involving exposure to toxic substances or blood-borne pathogens. These files are maintained separately from the personnel file. These files may include incident reports, medical reports, responses by supervisors and management, requests for medical leave, insurance forms, applications for continuation of insurance, supporting medical documentation, etc. [29 CFR 1910.1020]	CR+30
114	<u>Employee Injury Records—Non-exposure</u> These files include any reports of accidents or injuries involving an employee. Records of injuries are kept separate from the personnel file. These files may include incident reports, responses by supervisors and management, requests for medical leave, insurance forms, application for continuation of insurance, etc. OSHA requires that any information pertaining to a job-related illness and injury be kept on file for five years after the end of the fiscal year in which the event occurred.	CR+5
115	<u>Employee Injury Records--OSHA 300 Log</u> This log identifies all employee injuries within a calendar year. In accordance with 9 CFR 1904.33, this log and other supplementary records shall be retained for 5 years following the calendar year that the records cover.	CR+5
116	<u>Job Classifications and Descriptions</u> These records document job classification systems and all existing positions. Job descriptions may include a summary of responsibilities, functions, applicant requirements, salary and benefit classifications, etc.	SUP+6
117	<u>Salary Studies</u> These records document the analysis of employee salaries to ensure fair compensation. They may include research, surveys, reports, etc. ACT = while of reference value.	ACT

**General Retention Schedule #26
Local Government Human Resources**

Item Number	Series Title and Description	Total Retention
118	<u>Position Re-classifications</u> These records document requests to have a position re-classified. They may contain the request, copies of existing and proposed job descriptions, decisions affecting the request and other related documents.	CR+6
119	<u>Job Advertisements/Postings</u> These records document the advertising of available positions that the local government intends to fill, both internally and externally. They may include notices, published advertisements, etc.	CR+1
120	<u>Job Applications</u> These files document applicants for positions who were not hired, regardless of whether they were interviewed (this includes unsolicited applications, unless the local government has a written policy prohibiting the acceptance of unsolicited applications). They may include resumes, letters of interest, applications, regret letters, qualification exam scores, and supporting documents. ACT = If the application is unsolicited (no position is currently available) or if the person is determined to be ineligible for the position to which they applied, retain for one year from the date that the decision was made not to hire the individual. If the person was considered for a posted position, retain for 2 years from the date the position is filled.	ACT
121	<u>Selection Files</u> These records contain all documents that support the appointment and selection of employees. They may contain employment lists, transfer lists, selection criteria, evaluations of candidates, position descriptions, applications, interview questions, reference checks, rating forms, and appointment recommendations/notifications. ACT = until the position is filled.	ACT+2
122	<u>Job Qualification Exams</u> These records are used to test potential employees' qualifications for employment. They include the master exam and master answer sheet, as well as test development documentation (if applicable).	SUP+6

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Item Number	Series Title and Description	Total Retention
123	<u>Emergency Contacts</u> These records identify the people that the employee wants to be contacted if they are involved in an emergency situation.	SUP
124	<u>Workers Disability Compensation Files</u> These files document any claims made for workers disability compensation benefits. They may consist of a copy of the report of the incident/injury made by the employee (original is sent to the insurer), a copy of all reports from the occupational health center, etc. Any litigation is kept in a separate file. ACT = until the claim is settled.	ACT+7
125	<u>Worker Disability Compensation Reports</u> These reports are received from disability insurance providers. They identify the amount of benefits that were paid from the policy.	FY+7
126	<u>Labor Agreements and Negotiations</u> These files document labor negotiations and resulting contracts with individual employees and employee groups. It may include salary and benefit schedules, ground rules proposals and counter proposals, secondary negotiations, meeting minutes, any agreements, final contracts, etc. Separate files are maintained for each employee negotiating group. Note: Select records may need to be kept longer, if they are needed to document retirement benefits that an employee is entitled to.	EXP+10
127	<u>Union Files</u> These files are maintained on each union that represents employees. They may include correspondence, dues information, etc.	FY+7
128	<u>Seniority Lists</u> These documents are sent to union presidents for notification of seniority status.	SUP+1
129	<u>Affirmative Action Plans</u> These records document the local government's plans to comply with affirmative action requirements. They may include the plan, supporting documentation, analyses, raw data, tests given to employees, validation studies, etc.	EXP+2

**General Retention Schedule #26
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Item Number	Series Title and Description	Total Retention
130	<u>Adverse Impact Determination</u> State or federal agencies can audit or investigate for civil rights violations. These records are created after there has been a determination of adverse impact upon employees. They document that the cause of the adverse impact was eliminated.	CR+2
131	<u>Organization Charts</u> These records document the organizational structure of the local government. They may include mission statements and other supporting documents. Note: these records may continue to have reference value after they are superseded.	SUP
132	<u>Employee Directories</u> These records contain contact information for employees. Note: these records may continue to have reference value after they are superseded.	SUP
133	<u>Government Reports</u> These reports include equal employment opportunity reports, veteran employment reports, census of government employment reports, etc.	CR+1
Note: The official copies of contracts are generally retained by the Clerk and are listed on the Clerk's Retention and Disposal Schedule (see General Schedules #6, 24, 25). Their minimum retention period is EXP+6.		

**General Retention Schedule #26
Local Government Human Resources**

Item Number	Series Title and Description	Total Retention
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Payroll

200A Employee Files—Employees Enrolled in a Pension Plan ACT

These files are maintained on each employee who is enrolled in a pension plan (such as the Municipal Employees Retirement System or a locally operated plan). *They document activities that affect payroll.* They may include W-4, hiring authorization, requisitions, pay increase/change of status notices, contract calculations, long-term disability, retirement purchases, current enrollment for benefits (including health, life, disability, dental, vision and supplemental insurance), credit union deposits, flexible spending accounts, investments in tax deferred accounts (such as 403B, 401K, 457, etc.), employee/employer deferral elections, employee/employer loan agreements, contribution limit testing, supporting documentation for garnishments, levies and deductions, tax deferred payment agreements, retirement beneficiary forms, final salary affidavit, electronic funds transfer applications, etc. **ACT = while individual is employed by the local government plus 50 years, or until retirement plus 6 years, whichever is sooner.**

200B Employee Files—Employees Enrolled in Defined Contribution Plans Only ACT+6

These files are maintained on each employee who is enrolled in a defined contribution plan only and does not receive a pension. *They document activities that affect payroll.* They may include W-4, hiring authorization, requisitions, pay increase/change of status notices, contract calculations, long-term disability, current enrollment for health benefits, credit union deposits, flexible spending accounts, investments in tax deferred accounts (such as 403B, 401K, 457, etc.), employee/employer deferral elections, employee/employer loan agreements, contribution limit testing, supporting documentation for garnishments, levies and deductions, tax deferred payment agreements, beneficiary forms, final salary affidavit, electronic funds transfer applications, etc. **ACT = term of employment. Note: if an employee's abandoned wages are reported and remitted to the Michigan Department of Treasury, the employee's name and last known address need to be retained by the employer for 10 years.**

201 Salary and Benefit Schedules CR+6

These records document the rate of pay for employees and define the benefits that are offered.

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Item Number	Series Title and Description	Total Retention
202	<u>Payroll Registers</u>	FY+50
	<p>These reports are produced to document payroll activities. Information in the report may include the employee name, social security number, employee identification number, gross wages, deductions, net pay, current pay period, year to date earnings, etc. Note: if none of the local government's employees that are listed on the register are enrolled in a pension plan, these records can be retained for FY+7, in accordance with item #203.</p>	
203	<u>Payroll Reports</u>	FY+7
	<p>Various reports are generated for each pay cycle to verify the accuracy of the payroll. These reports may include payroll summaries, pay journals, check registers, account distributions, payroll liabilities, payroll transactions, payroll account creation reports, gross pay balance, deduction registers, etc.</p>	
204	<u>State Retirement Reports</u>	FY+7
	<p>These reports are prepared to track employee and employer contributions into state retirement plans. Information in the report includes the payroll date, employee name, social security number, employee identification number, retirement hours, wage code, classification, retirement wages, withholding for the member investment plan, district contribution, rate of pay, contract dates, number of payments per year, etc.</p>	
205	<u>Time and Attendance</u>	FY+3
	<p>These records are submitted by employees for each pay period to document hours worked and leave time used. In addition, these records contain the statement that is furnished to each employee at the time of payment. The statement will identify the hours worked by the employee, the gross wages paid, the pay period for which payment is being made, itemized deductions, itemized fringe benefits, wage assignments, garnishments and levies. Note: if the local government's final average compensation calculation is longer than 3 years, it will need to retain these records for at least that calculation timeframe.</p>	
206	<u>Federal/State Tax Deductions</u>	FY+7
	<p>These records document payment of financial liabilities for monies withheld from employee wages. The records may include the quarterly form 941 reporting to the Internal Revenue Service for taxes withheld,</p>	

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Item Number	Series Title and Description	Total Retention
	quarterly transfer of state withholding and sales taxes, Medicaid wage detail, quarterly reports, etc.	
207	<u>W-2 and W-3 Forms</u>	FY+7
	This form documents the annual gross wages, federal, state, Medicare, Social Security, and local taxes withheld for the purpose of reporting income taxes.	
208	<u>Michigan Employment Security Commission (MESC) Reports</u>	FY+7
	These reports are generated for both contributing and reimbursing employers, generally on a quarterly basis, to identify employees, their wages, social security numbers, etc.	
209	<u>Unemployment Claims</u>	FY+1
	These records are received from the Unemployment Agency. They identify people who are claiming unemployment benefits from the local government. They are used to verify that the people are entitled to these benefits, and to resolve discrepancies. They may include correspondence, appeals, etc.	
210	<u>Wage Differential Reports</u>	CR+2
	These records explain any wage differential between sexes and substantiating documents.	

**General Retention Schedule #26
Local Government Human Resources**

Item Number	Series Title and Description	Total Retention
General Administrative Records		
300	<u>Subject Files</u> These records are used to support administrative analysis, program and project planning, procedure development, and programmatic activities. Subject files are generally organized alphabetically by topic. Document types may include periodic activity reports (narrative and statistical), special reports, topical correspondence (including electronic mail), research materials, project planning notes, organizational charts, etc. Subject files do NOT include files related to individual projects. For topics of continuing interest, files may be segmented into annual files. ACT = while topical file is of interest for ongoing administration.	ACT+5
301	<u>General Correspondence</u> General correspondence does not pertain to a specific issue and it is often organized chronologically or by correspondent's name. General correspondence may include referral correspondence. If the correspondence does pertain to a specific issue it should be filed with other relevant records. General correspondence may exist in a variety of formats, including memos, letters, notes and electronic mail messages. This series also includes automated or manual tools that index and/or track when correspondence was received, the topic of the correspondence, who is responsible for responding to the correspondence, and when the correspondence is considered closed for further action.	CR+2
302	<u>Transitory Correspondence</u> Transitory correspondence is any form of written communication with a short-term interest that has no documentary value. This type of correspondence has limited administrative and evidential value that is lost soon after the communication is received. Transitory messages do not set policy, establish guidelines or procedures, certify a transaction or become a receipt. Examples of transitory correspondence include letters of transmittal that do not add information to the transmitted materials, routine requests for information that require no administrative action, policy decision, special compilation or research. This type of record also includes invitations to work-related events, notifications of an upcoming meeting, and similar records. EVT = need not be retained more than 30 days after receipt.	EVT

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Local Government Human Resources

Item Number	Series Title and Description	Total Retention
303	<u>Freedom of Information Act (FOIA) Requests</u> This file will document any requests for information or public records. They may include requests for information, correspondence, a copy of the information released, and billing information.	CR+1
304	<u>Contact Lists/Directories</u> These records contain contact information for individuals and groups that the agency may need to contact for ongoing and special projects, programs, activities, events, surveys, etc. They may contain names, affiliations, address, phone numbers, e-mail addresses, etc. They may exist in paper or electronic form. SUP = retain current information for current contacts or until the list is obsolete.	SUP
305	<u>Planners/Calendars</u> These may be electronic or manual planners and calendars that are used to track an individual staff member's work-related meetings, assignments, and tasks. Individual employees are responsible for retaining their planners/calendars for the duration of this retention period.	CR+2
306	<u>Staff and Project Meeting Records</u> These records document staff meetings, meetings with other government agencies, etc. They may include meeting minutes, agendas, and distribution materials, etc. Meeting records may also be retained in subject files (see item #300), if they relate to a specific topic.	CR+2
307	<u>Annual Reports</u> These reports document the department's activities, and they may contain both narrative and statistical information.	CR+10
308	<u>Grants</u> These files are used to administer grants that are applied for by the human resources department from state, federal and private agencies. These files may contain applications, budgets, worksheets, adjustments, plans, rules and regulations, award letters, committee records, staffing sheets with account numbers, grant evaluation/monitoring reports, audits, periodic progress reports, etc. ACT = until the grant is closed out, plus any additional time that is required by the granting agency for auditing	ACT

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Local Government Human Resources**

Item Number	Series Title and Description	Total Retention
	purposes. Final reports and products of the grant may be kept longer for use and reference purposes.	
309	<u>Denied Grant Applications</u>	CR+1
	These records document grants that were applied for, but were not received. They may have reference value for preparing future grant applications. They may contain application forms, budget proposals, letters of support, narrative plans, supporting documentation, etc.	
310	<u>Departmental Budget Planning</u>	CR+5
	These records document budget planning and tracking activities for the human resources department. They may include budget requests, statistics, budget amendments, budget summaries and balance sheets, etc.	
311	<u>Publications</u>	ACT
	These records may include press releases, brochures, newsletters and other items that are published by the department. ACT = while of reference value.	
312	<u>Memorabilia</u>	ACT
	This series includes photographs, news clippings, certificates, awards, etc. that document events and activities of the department. ACT = while of reference value.	
313	<u>Audio-Visual Materials</u>	ACT
	These records include photographs, video recordings, audio recordings, slides, etc. in analog and digital formats. They document general program activities, facilities, people, etc. ACT = while of reference value.	
314	<u>Visitor Logs/Registers</u>	CR+2
	These records document who visited the office. They record the visitor's name, date and time of the visit, etc. They may be used for security purposes or to track visitor statistics.	
315	<u>Employee In/Out Logs</u>	CR+1
	These logs document the time/date when staff arrive and depart throughout each day.	

**Michigan Department of History, Arts and Libraries
Records Management Services**

**Frequently Asked Questions
About General Schedules**

Q: What is a public record?

A: The Michigan Freedom of Information Act (FOIA) ([MCL 15.231-15.246](#)) defines public records as recorded information “prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created.”

Q: Are all records considered to be “official” records?

A: No. General Schedule #1 addresses the retention of “nonrecord” materials. These documents are broadly defined as drafts, duplicates, convenience copies, publications and other materials that do not document agency activities. These materials can be disposed of when they have served their intended purpose. Government agencies need to identify the “office of record” when multiple offices possess copies of the same record. The “office of record” is responsible for following the retention period that is specified, duplicates do not need to be retained. A more comprehensive definition can be found in the approved schedule (available online at http://www.michigan.gov/documents/hal_mhc_rms_GS1_local_110758_7.pdf).

Q: Are the retention periods that are listed on general schedules minimum amounts of time that a record should be kept?

A: Yes. General schedules authorize, but do not require, public officials to dispose of records after the expiration of the assigned retention period. Local situations may require retention beyond the periods listed, and nothing prevents a government agency from retaining records longer than the specified period of time. If records are kept for less than the amount of time listed, the agency can be penalized for unlawful destruction of records. In addition, if records are kept too long, they can waste valuable storage space, and they can become a liability to the agency if it receives a FOIA request, or if it becomes involved in litigation.

Q: Does my government agency have to follow a general schedule?

A: Records cannot be lawfully destroyed without the authorization of an approved Retention and Disposal Schedule. The purpose of a general schedule is to ensure that all government agencies are following consistent retention practices, and to prevent individual agencies from having to develop an agency-specific schedule. However, if your government agency does not want to follow an approved general schedule, it would need to get an agency-specific schedule approved. [Note: agency-specific schedules always supersede a general schedule.] Internal policies do not have the force of law that an approved Retention and Disposal Schedule has.

Q: What is an agency-specific schedule?

A: Agency-specific schedules are Retention and Disposal Schedules that only apply to the agency listed on the document. They are intended to cover records that are unique to that specific agency. Records that are listed on an approved general schedule should not be listed on an agency-specific schedule, unless the agency has a unique situation that justifies a different retention period than the one everyone else is following. The instructions and forms for agency-specific schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

Q: What should my government agency do if we create a record that is not listed on the general schedule?

A: The general schedule covers records that are common to most government agencies. However, general schedules do not claim to be inclusive of every record that all agencies create. Records that are not listed on general schedules cannot be destroyed without the authorization of an approved agency-specific schedule.

Q: What should my government agency do if we do not create a record that is listed on the general schedule?

A: Nothing. General schedules do not mandate that any of the records listed on the schedule be created. However, if they are created in the normal course of business, the schedule establishes a retention period for them.

Q: What do the codes in the Total Retention column mean?

A: The **retention codes** that appear on the schedule are used to establish how long records are retained by the creating agency before they are destroyed. Retention

codes determine how destruction dates will be automatically calculated by Versatile (Versatile is the records management software that is used by Records Management Services to manage the retention of records), and the date upon which the calculation will be based. Definitions of these codes can be found in the Records Management Manual that is available online at <http://www.michigan.gov/recordsmanagement/>.

Q: What do the numbers in the Total Retention column represent?

A: In addition to the retention code, a period of time, years and/or months, can be used in the calculation of the retention period. Years are expressed as whole numbers, and months are expressed as fractions. For example, the fraction "0/6" would represent 6 months. The retention code plus the period of time results in a mathematical formula that is used to determine a disposal date.

Q: Do the general schedules only cover paper records, or do they cover databases and other electronic records too?

A: Records can exist in a wide variety of formats, including paper, maps, photographs, digital images, e-mail messages, databases, etc. The retention periods listed on the general schedules do not specify the format that the record may exist in, because each government agency that adopts the schedule may choose to retain its records using different recording media. Government agencies are responsible for ensuring that their records, regardless of format, are properly retained and remain accessible during this entire retention period. Various laws (including the Records Reproduction Act) identify acceptable formats for retaining public records; agencies are responsible for understanding and complying with these laws.

Q: Do the general schedules cover e-mail?

A: Yes. Many of the record series that are listed on the general schedules may originate as e-mail. Those e-mail messages need to be retained for the period of time specified by the schedule. For more information about e-mail retention, please check out the online guide at <http://www.michigan.gov/recordsmanagement/>.

Q: Can records be microfilmed or digitally imaged?

A: Yes. The Records Reproduction Act (MCL 24.401-24.406) regulates the reproduction of public records by Michigan government agencies at all levels. This law requires the Michigan Department of History, Arts and Libraries to promulgate technical

standards to ensure the continued accessibility and usability of records that are microfilmed or digitized throughout their retention period. The standards are also intended to help state and local governments ensure the integrity and authenticity of their records. The Records Management Services administers competitively bid master contracts for microfilming and imaging services. State agencies and local governments are eligible to use these contracts to receive these services. More information is available online at <http://www.michigan.gov/recordsmanagement/>.

Q: How can I determine which records that are listed on the general schedules contain confidential information that should not be released to the public?

A: Select records series that are listed on the general schedules may be exempt from public disclosure, in accordance with the provisions of state and federal laws. Please consult with your attorney if you need additional information.

Q: Is there an appropriate way to destroy records that contain confidential information?

A: Yes. Some public records contain sensitive or confidential information. These records should not be placed in a regular trash or recycle bin when they are destroyed. It is important that government agencies ensure that these records are destroyed in a manner that prevents the inappropriate release of the information. The State of Michigan administers a master contract with a vendor that complies with the state's requirements for confidential destruction of records. Government agencies that are interested in using this contract should contact the vendor: Certified Document Destruction, attention: Brian Dorosz, (800) 433-7876. Confidential electronic records should be destroyed in accordance with the U.S. Department of Defense "Standard Industrial Security Program Operating Manual" (DoD 5220.22-M).

Q: Who is responsible for ensuring that Retention and Disposal Schedules are followed?

A: The Michigan Penal Code (MCL 750.491) establishes misdemeanor penalties for disposing of records without the authorization of an approved Retention and Disposal Schedule. Government agency directors are responsible for ensuring that relevant staff are aware of the provisions in the schedule and follow them. The Records Management Services does not audit agencies and assess penalties. However, courts may penalize agencies for failing to follow an approved Retention and Disposal Schedule.


Q: What should I do if I have suggestions for revising a general schedule?

A: Contact the Records Management Services at (517) 335-9132.



GENERAL SCHEDULE #30 – Local Government Information Technology


This Retention and Disposal Schedule covers records that are commonly found in the **Information Technology** offices of counties, cities, townships, villages, public schools, local authorities, public colleges and public universities. The records that are described on the attached pages are deemed necessary (1) for the continued effective operation of Michigan government, (2) to constitute an adequate and proper recording of its activities, and (3) to protect the legal rights of the government of the State of Michigan and of the people. We, the undersigned, believe that this schedule meets the administrative, legal, fiscal and archival requirements of the State of Michigan.



Judy Rumps, President
Michigan Chapter of Government Management Information Sciences (Mi-GMIS) 10/1/09
(Date)



Debra Gearhart, Director
Department of History, Arts and Libraries, Records Management Services 11/04/09
(Date)



Mark Harvey, State Archivist
Department of History, Arts and Libraries, Archives of Michigan 11/18/09
(Date)

APPROVED

State Administrative Board 12/1/09
(Date)

General Retention Schedule #30
Information Technology—Local Government

Item Number	Series Title and Description	Total Retention
Information Technology Records		
100	<u>Technology Inventory</u> This record may be used to inventory equipment, software, telephones, etc. It may contain the tag number, location, serial number, price, account source, etc. ACT = until the item is disposed of.	ACT+2
101	<u>Communications Assignments</u> Some staff are issued 2-way radios, cell phones, pagers, etc. to facilitate communication. These files contain service contracts, employee contracts, FCC licenses, distribution lists, etc. ACT = until the equipment is returned by the staff or disposed of or until the phone number assignment changes.	ACT+2
102	<u>Contracts, Licenses and Agreements</u> These records cover hardware, software, services, maintenance, hosting, leases, etc. The information technology office is generally not the office of record for the official legal document, but still needs to maintain these records to administer the terms.	EXP+6
103	<u>Pre-Approved Vendors</u> Technology vendors may be pre-approved for a designated timeframe to provide hardware and software to the local government, so newly purchased equipment is standardized. These records document which vendors and equipment are pre-approved. They may include a request for quote (RFQ), request for proposal (RFP), invitation to bid (ITB), bid responses, sole source justifications, copies of contracts (not the official version), etc. ACT = while the vendor/equipment is approved.	ACT
104	<u>User Access Policies/Agreement</u> The records are used to generate user accounts for employees and to assign permissions. They may define the terms of use and access of specific computer systems, general information technology resources, network access, etc. They may document who is authorized to make requests. They may be submitted by authorized supervisors, and they may be signed by employees. Records may also be generated to document that permissions/access have been removed for employees. The Human Resources Department may maintain a copy of these records in the	ACT+2

PERM = Permanent
EXP = Expiration Date

ACT = Active
CR = Creation Date

SUP = Superseded
FY = Fiscal Year

General Retention Schedule #30
Information Technology—Local Government

Item Number	Series Title and Description	Total Retention
	employee's personnel file. ACT = retain current documents for current users.	
105	<u>Project Files</u>	ACT+5
	These files document the development of new computer systems for departments, upgrades and maintenance activities. These files may include correspondence, notes, systems documentation, source codes, objects codes, code definitions, system layout, testing, maintenance work, project plans and timelines, operational procedures, data conversion, system migration, etc. Reference copies of requests for proposals, vendor bids and contracts may also be retained, but are not subject to this retention period. ACT = life of system. Note: select documents that are not needed for ongoing maintenance and operation of the system may be purged 1 year after implementation is completed.	
106	<u>Change Control</u>	ACT+5
	These records document changes to production systems for routine maintenance, upgrades, enhancements, emergencies, etc. They may include authorizations, activity assignments, activity descriptions, backout/recovery plans, test runs, etc. ACT = life of system. Note: select documents that are not needed for ongoing maintenance and operation of the system may be purged 1 year after the above-mentioned activity is completed.	
107	<u>Technology Service Requests</u>	FY+5
	This record documents problems with accounts and equipment and requests for new services. It is used to initiate new projects and to generate repair tickets. It may contain the user name, a description of the problem or project, the location of the equipment, the date/time the request was received and resolved, etc.	
108	<u>Work Orders</u>	FY+2
	These records document each employee's daily activities. They identify the type of activity, time spent, customer, account code, description of work done, etc.	
109	<u>Technology Network Maps/Documents</u>	SUP
	These records are used to map and define the technology infrastructure and the wiring of voice and data lines. They may include security	

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 EXP = Expiration Date

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 FY = Fiscal Year

General Retention Schedule #30
Information Technology—Local Government

Item Number	Series Title and Description	Total Retention
	information, identification numbers, passwords, configurations, IP schemas, etc.	
110	<u>Server and Operations Logs</u>	EVT
	These logs are generated on an on-going basis by file and network servers, backup systems, security systems, user logins, etc. They document transactions or activity within the system. EVT = different types of logs collect data at different intervals, and are used for different purposes. As a result, the volume of data generated will vary, as will the capacity of the system to store the data. Each IT department must adopt a written data retention policy to define how long it will retain data for each log they generate. If they do not, it will be difficult for the IT department to defend their practices in court, if the records are needed as evidence.	
111	<u>Call Detail</u>	FY+2
	These records are received from the service carrier. They identify when calls or messages were made or received on devices issued to employees. They may be received with the bill from the service carrier, which is forwarded to the Finance Department for payment and official retention after the accuracy of the charges are verified. Information found in these records may include the device tag number, phone number, date and time of the communication, length of communication, phone number of the other party, etc. These records do not contain the content of voice or text messages. Carriers may or may not retain the content of these communications. Employees are responsible for retaining the content of recorded communications per their agency's Retention and Disposal Schedule, if the communication complies with the definition of a public record.	
112	<u>Disaster Plans</u>	SUP
	These plans define potential emergencies, and how the staff should respond to each type of incident.	
113	<u>Internet Site Content</u>	ACT
	The local government's website is an interface to presenting information to the public about programs, events and activities. This record includes the content and layout of the website. Internet technology may be capable of storing inactive web content, but it is not designed to support the preservation of information as technology evolves. Official records that	

General Retention Schedule #30
Information Technology—Local Government

Item Number	Series Title and Description	Total Retention
	are posted on the website, and are not retained elsewhere, still need to be retained in accordance with an approved Retention and Disposal Schedule. ACT = while online.	
114	<u>Technology Training</u>	ACT
	The information technology staff may conduct training about the use of computer software or equipment for employees. These files contain the curricula materials. ACT = until course materials are superseded by a new version, or until the course is dropped entirely from the training curriculum.	
115	<u>Training Registration</u>	CR+2
	These records document which employees have attended training conducted or coordinated by the Information Technology Department. They may contain the employee's name, department, training date, course title, accounting information, etc.	
116	<u>Universal Service Fund (USF)</u>	ACT+5
	The USF, also known as "e-rate," is a federal fund that provides discounts on telecommunications and internet access to public libraries and school districts. These files document the amount of the discount that is awarded and how the allocation was computed. All applicants and service providers are required to retain receipt and delivery records relating to the technology plans, pre-bidding, bidding, contracts, application process, invoices, provision of services, and other matters relating to the administration of the Universal Service Fund. The suggested list of documents to be retained can be found in Paragraphs 45-50 in the FCC's 5th Report and Order (<u>FCC 04-190</u>). ACT = until the last service date.	

**General Retention Schedule #30
Information Technology—Local Government**

Item Number	Series Title and Description	Total Retention
General Administrative Records		
200	<u>Subject Files</u> These records are used to support administrative analysis, program and project planning, procedure development, and programmatic activities. Subject files are generally organized alphabetically by topic. Document types may include periodic activity reports (narrative and statistical), special reports, topical correspondence (including electronic mail), research materials, project planning notes, organizational charts, etc. Subject files do NOT include files related to individual projects. For topics of continuing interest, files may be segmented into annual files. ACT = while topical file is of interest for ongoing administration.	ACT+5
201	<u>General Correspondence</u> General correspondence does not pertain to a specific issue and it is often organized chronologically or by correspondent's name. General correspondence may include referral correspondence. If the correspondence does pertain to a specific issue it should be filed with other relevant records. General correspondence may exist in a variety of formats, including memos, letters, notes and electronic mail messages. This series also includes automated or manual tools that index and/or track when correspondence was received, the topic of the correspondence, who is responsible for responding to the correspondence, and when the correspondence is considered closed for further action.	CR+2
202	<u>Transitory Correspondence</u> Transitory correspondence is any form of written communication with a short-term interest that has no documentary value. This type of correspondence has limited administrative and evidential value that is lost soon after the communication is received. Transitory messages do not set policy, establish guidelines or procedures, certify a transaction or become a receipt. Examples of transitory correspondence include letters of transmittal that do not add information to the transmitted materials, routine requests for information that require no administrative action, policy decision, special compilation or research. This type of record also includes invitations to work-related events, notifications of an upcoming meeting, and similar records. EVT = need not be retained more than 30 days after receipt.	EVT

General Retention Schedule #30
Information Technology—Local Government

Item Number	Series Title and Description	Total Retention
203	<u>Freedom of Information Act (FOIA) Requests</u> This file will document any requests for information or public records. They may include requests for information, correspondence, a copy of the information released, and billing information.	CR+1
204	<u>Contact Lists/Directories</u> These records contain contact information for individuals and groups that the agency may need to contact for ongoing and special projects, programs, activities, events, surveys, etc. They may contain names, affiliations, address, phone numbers, e-mail addresses, etc. They may exist in paper or electronic form. SUP = retain current information for current contacts or until the list is obsolete.	SUP
205	<u>Planners/Calendars</u> These may be electronic or manual planners and calendars that are used to track an individual staff member's work-related meetings, assignments, and tasks. Individual employees are responsible for retaining their planners/calendars for the duration of this retention period.	CR+2
206	<u>Staff and Project Meeting Records</u> These records document staff meetings, meetings with other government agencies, etc. They may include meeting minutes, agendas, and distribution materials, etc. Meeting records may also be retained in subject files (see item #200) or project files (see item #104), if they relate to a specific project.	CR+2
207	<u>Policies, Procedures and Directives</u> These records document the policies and standard operating procedures of the department. It may also include an administrative manual.	SUP+5
208	<u>Annual Reports</u> These reports document the department's activities, and they may contain both narrative and statistical information.	CR+10
209	<u>Grants</u> These files are used to administer grants that are applied for by the information technology department from state, federal and private	ACT

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General Retention Schedule #30
Information Technology—Local Government

Item Number	Series Title and Description	Total Retention
	agencies. These files may contain applications, budgets, worksheets, adjustments, plans, rules and regulations, award letters, committee records, staffing sheets with account numbers, grant evaluation/monitoring reports, audits, periodic progress reports, etc. ACT = until the grant is closed out, plus any additional time that is required by the granting agency for auditing purposes. Final reports and products of the grant may be kept longer for use and reference purposes.	
210	<u>Denied Grant Applications</u>	CR+1
	These records document grants that were applied for, but were not received. They may have reference value for preparing future grant applications. They may contain application forms, budget proposals, letters of support, narrative plans, supporting documentation, etc.	
211	<u>Departmental Budget Planning</u>	CR+5
	These records document budget planning and tracking activities for the information technology department. They may include budget requests, capital improvement plans, statistics, budget amendments, budget summaries and balance sheets, etc.	
212	<u>Publications</u>	ACT
	These records may include press releases, brochures, newsletters and other items that are published by the department. ACT = while of reference value.	
213	<u>Memorabilia</u>	ACT
	This series includes photographs, news clippings, certificates, awards, etc. that document events and activities of the department. ACT = while of reference value to the department.	
214	<u>Audio-Visual Materials</u>	ACT
	These records include photographs, video recordings, audio recordings, slides, etc. in analog and digital formats. They document general program activities, facilities, people, etc. These materials do not include photographs taken for specific projects, because those records should be in the project files (see item #104). ACT = while of reference value.	

General Retention Schedule #30
Information Technology—Local Government

Item Number	Series Title and Description	Total Retention
215	<u>Visitor Logs/Registers</u> These records document who visited the office. They record the visitor's name, date and time of the visit, etc. They may be used for security purposes or to track visitor statistics.	CR+2
216	<u>Employee In/Out Logs</u> These logs document the time/date when staff arrive and depart throughout each day.	CR+1
217	<u>Leave Approvals</u> These records document a supervisor's approval of an employee's use of sick leave, annual leave, overtime, etc. They are supporting documentation to the official timekeeping records maintained by Payroll. If Payroll maintains this information, then the supervisor/employee do not need to maintain these records.	CR+1
218	<u>Timekeeping</u> These records include sheets or cards that document the exact hours worked by an employee. They are supporting documentation to the official timekeeping records maintained by Payroll. If Payroll maintains this information, then the supervisor/employee do not need to maintain these records.	CR+1
219	<u>Overtime Equalization Reports</u> These reports are produced weekly in accordance with the terms of union contracts. They are used by supervisors to adjust overtime assignments of staff to balance the number of hours worked. ACT = while the relevant union contract is in effect.	ACT

State of Michigan
Records Management Services

Frequently Asked Questions About General Schedules

Q: What is a public record?

A: The Michigan Freedom of Information Act (FOIA) ([MCL 15.231-15.246](#)) defines public records as recorded information “prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created.”

Q: Are all records considered to be “official” records?

A: No. General Schedule #1 addresses the retention of “nonrecord” materials. These documents are broadly defined as drafts, duplicates, convenience copies, publications and other materials that do not document agency activities. These materials can be disposed of when they have served their intended purpose. Government agencies need to identify the “office of record” when multiple offices possess copies of the same record. The “office of record” is responsible for following the retention period that is specified, duplicates do not need to be retained. A more comprehensive definition can be found in the approved schedule (available online at http://www.michigan.gov/documents/hal_mhc_rms_GS1_local_110758_7.pdf).

Q: Are the retention periods that are listed on general schedules minimum amounts of time that a record should be kept?

A: Yes. General schedules authorize, but do not require, public officials to dispose of records after the expiration of the assigned retention period. Local situations may require retention beyond the periods listed, and nothing prevents a government agency from retaining records longer than the specified period of time. If records are kept for less than the amount of time listed, the agency can be penalized for unlawful destruction of records. In addition, if records are kept too long, they can waste valuable storage space, and they can become a liability to the agency if it receives a FOIA request, or if it becomes involved in litigation.

Q: Does my government agency have to follow a general schedule?

A: Records cannot be lawfully destroyed without the authorization of an approved Retention and Disposal Schedule. The purpose of a general schedule is to ensure that all government agencies are following consistent retention practices, and to

prevent individual agencies from having to develop an agency-specific schedule. However, if your government agency does not want to follow an approved general schedule, it would need to get an agency-specific schedule approved. [Note: agency-specific schedules always supersede a general schedule.] Internal policies do not have the force of law that an approved Retention and Disposal Schedule has.

Q: What is an agency-specific schedule?

A: Agency-specific schedules are Retention and Disposal Schedules that only apply to the agency listed on the document. They are intended to cover records that are unique to that specific agency. Records that are listed on an approved general schedule should not be listed on an agency-specific schedule, unless the agency has a unique situation that justifies a different retention period than the one everyone else is following. The instructions and forms for agency-specific schedules are available online at <http://www.michigan.gov/recordsmanagement/>.

Q: What should my government agency do if we create a record that is not listed on the general schedule?

A: The general schedule covers records that are common to most government agencies. However, general schedules do not claim to be inclusive of every record that all agencies create. Records that are not listed on general schedules cannot be destroyed without the authorization of an approved agency-specific schedule.

Q: What should my government agency do if we do not create a record that is listed on the general schedule?

A: Nothing. General schedules do not mandate that any of the records listed on the schedule be created. However, if they are created in the normal course of business, the schedule establishes a retention period for them.

Q: What do the codes in the Total Retention column mean?

A: The **retention codes** that appear on the schedule are used to establish how long records are retained by the creating agency before they are destroyed. Retention codes determine how destruction dates will be automatically calculated by Versatile (Versatile is the records management software that is used by Records Management Services to manage the retention of records), and the date upon which the calculation will be based. Definitions of these codes can be found in the Records Management Manual that is available online at <http://www.michigan.gov/recordsmanagement/>.

Q: What do the numbers in the Total Retention column represent?

A: In addition to the retention code, a period of time, years and/or months, can be used in the calculation of the retention period. Years are expressed as whole numbers, and months are expressed as fractions. For example, the fraction "0/6" would represent 6 months. The retention code plus the period of time results in a mathematical formula that is used to determine a disposal date.

Q: Do the general schedules only cover paper records, or do they cover databases and other electronic records too?

A: Records can exist in a wide variety of formats, including paper, maps, photographs, digital images, e-mail messages, databases, etc. The retention periods listed on the general schedules do not specify the format that the record may exist in, because each government agency that adopts the schedule may choose to retain its records using different recording media. Government agencies are responsible for ensuring that their records, regardless of format, are properly retained and remain accessible during this entire retention period. Various laws (including the Records Reproduction Act) identify acceptable formats for retaining public records; agencies are responsible for understanding and complying with these laws.

Q: Do the general schedules cover e-mail?

A: Yes. Many of the record series that are listed on the general schedules may originate as e-mail. Those e-mail messages need to be retained for the period of time specified by the schedule. For more information about e-mail retention, please check out the online guide at <http://www.michigan.gov/recordsmanagement/>.

Q: Can records be microfilmed or digitally imaged?

A: Yes. The Records Reproduction Act (MCL 24.401-24.406) regulates the reproduction of public records by Michigan government agencies at all levels. This law requires the Records Management Services to promulgate technical standards to ensure the continued accessibility and usability of records that are microfilmed or digitized throughout their retention period. The standards are also intended to help state and local governments ensure the integrity and authenticity of their records. The Records Management Services administers competitively bid master contracts for microfilming and imaging services. State agencies and local governments are eligible to use these contracts to receive these services. More information is available online at <http://www.michigan.gov/recordsmanagement/>.

Q: How can I determine which records that are listed on the general schedules contain confidential information that should not be released to the public?

A: Select records series that are listed on the general schedules may be exempt from public disclosure, in accordance with the provisions of state and federal laws. Please consult with your attorney if you need additional information.

Q: Is there an appropriate way to destroy records that contain confidential information?

A: Yes. Some public records contain sensitive or confidential information. These records should not be placed in a regular trash or recycle bin when they are destroyed. It is important that government agencies ensure that these records are destroyed in a manner that prevents the inappropriate release of the information. The State of Michigan administers a master contract with a vendor that complies with the state's requirements for confidential destruction of records. Government agencies that are interested in using this contract should contact the vendor: Rapid Shred, Attention: Scott Dennis, 616-735-2900. Confidential electronic records should be destroyed in accordance with the U.S. Department of Defense "Standard Industrial Security Program Operating Manual" (DoD 5220.22-M).

Q: Who is responsible for ensuring that Retention and Disposal Schedules are followed?

A: The Michigan Penal Code (MCL 750.491) establishes misdemeanor penalties for disposing of records without the authorization of an approved Retention and Disposal Schedule. Government agency directors are responsible for ensuring that relevant staff are aware of the provisions in the schedule and follow them. The Records Management Services does not audit agencies and assess penalties. However, courts may penalize agencies for failing to follow an approved Retention and Disposal Schedule.

Q: What should I do if I have suggestions for revising a general schedule?

A: Contact the Records Management Services at (517) 335-9132.

PROPOSED RESOLUTION

Capital Project Budget Exceedance Approval: Project PW-10047 Video Surveillance/Monitoring and Additional Security for Dye Cedar Complex

WHEREAS, Lansing Board of Water & Light's (BWL) Policy 15-02, entitled Capital Project Exceedance Approval necessitates the BWL Board of Commissioner's approval for specific capital projects that are expected to exceed their previously approved budget by both 15% and \$200,000 prior to completion of the project; and

WHEREAS, the previously approved budget for Capital Project PW-10047 Video Surveillance/Monitoring and Additional Security for Dye Cedar Complex was \$400,000; and

WHEREAS, the projected final total cost for Capital Project PW-10047 Video Surveillance/Monitoring and Additional Security for Dye Cedar Complex is \$640,000, should the project be completed; and

WHEREAS, BWL staff and management reviewed the project cost in detail, which includes but is not limited to the rationale and circumstances for the increased budget projection; and

WHEREAS, BWL staff and management recommends that the Capital Project PW-10047 Video Surveillance/Monitoring and Additional Security for Dye Cedar Complex be completed despite the projected increased cost; and

WHEREAS, BWL staff and management recommends that the BWL Board of Commissioners approved the Capital Project PW-10047 Video Surveillance/Monitoring and Additional Security for Dye Cedar Complex to be completed as projected.

RESOLVED, the BWL Board of Commissioners approve completion of Capital Project PW-10047 Video Surveillance/Monitoring and Additional Security for Dye Cedar Complex with a projected final total cost of \$640,000.

Proposed Resolution

Adoption of the Amendments to the Cafeteria Plan and Post-Retirement Benefit Plan

WHEREAS, the Lansing Board of Water and Light (the "BWL") maintains the Lansing Board of Water and Light Cafeteria Plan (the "Cafeteria Plan") and the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light (the "Post-Retirement Benefit Plan"), for the benefit of certain of its employees and retirees; and

WHEREAS, the BWL desires to amend the Cafeteria Plan (for certain technical regulatory changes) and the Post-Retirement Benefit Plan (for certain plan design changes for consistency with Plan operations and administration).

NOW THEREFORE, the BWL does hereby authorize, approve and adopt the following resolutions:

RESOLVED, that the Amendment and Restatement of the Cafeteria Plan (as of February 1, 2016, in the form attached hereto) is hereby adopted and approved; and

BE IT FURTHER RESOLVED, that the Amendment and Restatement of the Post-Retirement Benefit Plan (as of February 1, 2016, in the form attached hereto) is hereby adopted and approved; and

BE IT FURTHER RESOLVED, that the officers of the BWL, and their designee(s), are hereby authorized and directed to take such actions and to implement and execute such documents and instruments (including the amendments referenced above as well as ancillary documentation) as necessary or desirable to effectuate the intent of these resolutions.

**Executive Summary
Regarding the
Cafeteria Plan
and the
Post-Retirement Benefit Plan**

(prepared for the Human Resources Committee of Lansing Board of Water and Light)

The purpose of this Executive Summary is to summarize the proposed actions related to the Lansing Board of Water and Light Cafeteria Plan and the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light, and to provide proposed resolutions for those actions, for the Human Resources Committee of the Lansing Board of Water and Light.

Background

The Lansing Board of Water and Light has maintained the Lansing Board of Water and Light Cafeteria Plan (the "Cafeteria Plan") and the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light (the "Post-Retirement Benefit Plan") for many years. The general purpose of the Cafeteria Plan is to allow employees to pay for certain portions of their health care costs (e.g., health insurance premiums, flexible spending dollars, and dependent care expenses) with pre-tax dollars. The purpose of the Post-Retirement Benefit Plan is to provide certain post-retirement health care benefits to qualifying retirees.

Action Requested

At this time, both the Cafeteria Plan and the Post-Retirement Benefit Plan have proposed updates. The Cafeteria Plan is simply being amended (in the form of a restatement) for regulatory purposes since the current Plan documents were drafted prior to the issuance of the most recent government regulations. There are only technical and mechanical concepts being incorporated in the Cafeteria Plan. For example, the limit on a participant's use of flexible spending dollars has been reduced to \$2,550 per year as required by the regulations, and the regulations also made slight adjustments to definitions, discrimination testing rules, and substantiation requirements for expense reimbursements. The Cafeteria Plan restatement also simplifies administration by converting five separate documents into one Plan document.

The Post-Retirement Benefit Plan is being amended to incorporate certain Plan language changes to make it consistent with the manner in which it has been administered. For example, it is now clear that it is a retiree only benefit plan. Additionally, throughout the proposed document there are corresponding comments which describe the nature of the adjustments.

It is requested that the Human Resources Committee review this information and request the Board to approve the amendments and to authorize the appropriate officers (or their delegates) to execute the Amendments and any related ancillary documents. Draft resolutions are also included for Board approval.

ADOPTION AGREEMENT
for the
LANSING BOARD OF WATER AND LIGHT CAFETERIA PLAN

The undersigned adopting employer hereby adopts this Plan. The Plan is intended to qualify as a cafeteria plan under Code section 125. The Plan shall consist of this Adoption Agreement, its related Basic Plan Document and any related Appendix and Addenda to the Adoption Agreement. Unless otherwise indicated, all Section references are to Sections in the Basic Plan Document.

COMPANY INFORMATION

1. Adopting Employer (Plan Sponsor): Lansing Board of Water and Light, 1201 S. Washington Ave., Lansing, MI 48910
2. Plan Sponsor entity type - Government Agency

PLAN INFORMATION

A. GENERAL INFORMATION.

1. **Plan name:** Lansing Board of Water and Light Cafeteria Plan
2. **Effective Date:**
 - 2a. Original effective date of Plan: August 1, 1987
 - 2b. Is this a restatement of a previously-adopted plan? - **Yes**
 - 2c. Effective date of Plan restatement: February 1, 2016; provided, however, that when a provision of the Plan states another effective date, such stated specific effective date shall apply as to that provision.
3. **Plan Year** means each 12-consecutive month period ending on August 31. If the Plan Year changes, any special provisions regarding a short Plan Year should be placed in the Addendum to the Adoption Agreement.
4. Is the Plan Subject to ERISA? No

Plan Features

5. **Premium Conversion Account.** Contributions to fund a Premium Conversion Account are permitted (Section 4.01).
6. The types of Contracts for which a Participant may seek reimbursement under Section 4.01: Employer Group Medical, Dental, and other benefits as provided on the election and administration forms.
7. **Health Care Reimbursement Account.** Contributions to fund a Health Care Reimbursement Account are permitted.
8. **HSA Account.** Contributions to fund an HSA Account are permitted (Section 4.08): No
9. **Dependent Care Assistance Account.** Contributions to fund a Dependent Care Assistance Account are permitted (Section 4.03): Yes
NOTE: The maximum amount of expense that may be contributed/reimbursed in any Plan Year for the Dependent Care Assistance Account is the maximum amount permitted by federal tax law (\$5,000 or \$2,500 if the Participant is married and filing a separate federal tax return).
10. **Adoption Assistance Account.** Contributions to fund an Adoption Assistance Account are not permitted. (Section 4.04).

B. ELIGIBILITY.

Exclusions/Modifications

1. The term "Eligible Employee" shall include all full-time Employees (regularly scheduled to work at least 30 hours per week, and as further defined in the Employer's policies, and including Employees on the Voluntary Work Reduction Program as provided by the Employer or who would be remunerated except for an authorized leave of absence as a full-time employee under the Personnel Policy), unless otherwise provided in an applicable collective bargaining agreement.
2. An Employee shall be an Eligible Employee with respect to the Premium Conversion Account if the Employee is eligible to participate in the benefit plans described in A.6.

Service Requirements

3. Minimum age requirement for an Eligible Employee to become eligible to be a Participant in the Plan: None.
4. Minimum service requirement for an Eligible Employee to become eligible to be a Participant in the Plan: None.
5. Frequency of entry dates: first day of each calendar month after date of hire, if election forms have been timely submitted.
6. An Eligible Employee shall become eligible to become a Participant in the Plan with respect to the Premium Conversion Account at the same date as he or she becomes eligible to participate in the benefits described in A.6.

Transfers/Rehires

7. Permit Participants who are no longer Eligible Employees (for reasons other than Termination) to continue to participate in the Plan until the end of the Plan Year (Section 3.02): Yes (otherwise, a Participant who has a change in job classification or a transfer that results in the Participant no longer qualifying as an Eligible Employee shall cease to be a Participant as of the effective date of such change of job classification or transfer).
8. Automatically reinstate benefit elections for Terminated Participants who are rehired within 30 days of Termination and permit new benefit elections for Terminated Participants who are rehired more than 30 days after Termination (Section 3.03(a)): No, a Terminated Participant shall not be able to participate in the Plan until the first entry date following reemployment.

C. BENEFITS

Premium Conversion

- 1a. There is no automatic enrollment for the Premium Conversion Account.
- 1b. This Plan provides automatic adjustment of Participant elections for changes in the cost of Contracts pursuant to the terms of Treas. Reg. 1.125-4.

Health Care Reimbursement

2. The maximum salary reduction amount that can be contributed to a Health Care Reimbursement Account in any Plan Year: The maximum amount permitted under Code section 125(i) (currently, \$2,550).

3. Specify whether a Participant shall continue making contributions after Termination of employment for the remainder of the Plan Year: Yes - Continue contributions on an after-tax basis and reimbursements will be allowed for the remainder of the Plan Year.
NOTE: Any required COBRA elections described in Section 4.06 shall supersede this C.3.
4. Indicate whether a Participant may revise a Health Care Reimbursement Account election upon a change of status: Yes - without limitation
NOTE: The rules regarding the revision of Health Care Reimbursement Account elections in this C.4 are also subject to the conditions and limitations provided in C.12.

Health Care Reimbursement - Eligible Expenses

5. A Participant may only be reimbursed from his or her Health Care Reimbursement Account for expenses that are incurred by: the Participant, spouse and dependents - the Participant, his or her spouse and all dependents within the meaning of Code section 152 as modified by Code section 105(b), and any child (as defined in section 152(f)(1)) of the Participant until his or her 26th birthday. The eligible expenses are as provided in the Basic Plan Document and any list provided by the Plan Administrator.
NOTE: The Plan Administrator may extend coverage for children until the end of the calendar year in which a child turns age 26.
6. Describe method to coordinate coverage in the Plan with Health Savings Accounts (Section 6.01(j)): None. Coverage in the Plan is not limited or the Plan is not used in conjunction with a Health Savings Account.
7. Describe method to coordinate coverage in the Plan with a Company-sponsored health reimbursement arrangement ("HRA") for expenses that are reimbursable under both this Plan and the HRA (Section 6.01(c)): None. Plan is not used in conjunction with a Company-sponsored HRA.

Company Contributions

8. Indicate whether the Company may contribute to the Plan (Section 4.09): No.
9. Indicate whether the Plan permits Participants (but not spouses or beneficiaries) to elect cash in lieu of benefits for portions of the year eligible only: Yes; [additionally, notwithstanding anything to the contrary contained herein, and unless prohibited by law, a Retiree (as defined in the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light) may also participate in the cash in lieu benefit only, according to Plan Administrator procedures for such cash in lieu benefits. For cash-in-lieu to apply, a participant must be eligible for health and prescription drug coverage under a collective bargaining agreement, the health and prescription drug plans for active employees, or the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light. If an eligible participant begins employment on the first work day of the calendar month, that shall be his/her participation date for this benefit, if otherwise qualified.

Elections

NOTE: The Plan Administrator may establish a minimum dollar amount or percentage of Compensation for all elections provided that such minimum is non-discriminatory.

10. When may continuing Participants make elections regarding contributions (Section 4.06(b)): Pursuant to Plan Administrator procedures.
11. The election for a continuing Participant who fails to make an election within the prescribed period shall be determined in accordance with the following (Section 4.06(c)-(d)): Continue same election. Elections for the applicable Plan Year shall be the same as the elections made in the prior Plan Year.

12. When may Participants modify elections regarding contributions (Section 4.07(a)): At any time permitted under Treas. Reg. section 1.125-4 and in accordance with pursuant to Plan Administrator procedures.
- 13a. A Participant may elect to continue coverage on a pre-tax or after tax basis for non-medical benefits when on leave of absence under the FMLA (Section 4.06(f)): Yes - A Participant may continue coverage for all benefits to which he is entitled when on FMLA leave.
- 13b. A Participant may elect to continue coverage on a pre-tax or after tax basis pursuant to C.13a when on a leave of absence other than a leave of absence under the FMLA: No.

Dependent Care Spend Down

14. Indicate whether Employees that cease to Participate in the cafeteria plan may continue to be reimbursed for eligible dependent care expenses through the end of the Plan Year (or grace period if applicable): Yes

D. PLAN OPERATIONS

The Plan Administrator may establish an enrollment period for use prior to the beginning of the Plan Year, and unless otherwise established, this period shall be 60 days, to be used in accordance with its forms and administration procedures.

Claims

1. Claims for reimbursement for an active Participant must be filed with the Plan Administrator (Section 6.01) within 120 days following the last day of each Plan Year.
- 2a. The Plan provides for a 2-1/2 month grace period described in IRS Notice 2005-42 immediately following the end of each Plan Year (Section 4.05(c)).
- 2b. Enter the Accounts that are eligible for the grace period: any permitted by law.
- 2c. Claims are due also within the same number of days after the end of the grace period.
3. The Company may provide debit, credit, and/or other stored-value cards for Health Care Reimbursement Accounts and/or Dependent Care Assistance Accounts (Section 6.01(i)).

Qualified Reservist Distributions (HEART Act)

4. Permit Qualified Reservist Distributions: No

Plan Administrator

5. Designation of Plan Administrator (Section 7.01): Plan Sponsor (not a Committee appointed by Plan Sponsor)
6. Type of indemnification for the Plan Administrator (Section 7.02): Standard as provided in Section 7.02.

E. EXECUTION PAGE

Failure to properly fill out the Adoption Agreement may result in the failure of the Plan to achieve its intended tax consequences.

The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #125 and any related Appendix and Addendum to the Adoption Agreement.

The undersigned agree to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledge receipt of same.

The Plan Sponsor caused this Plan to be executed this ____ day of _____, 2016.

LANSING BOARD OF WATER AND LIGHT:

Signature: _____

Print Name: _____

Title/Position: _____

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**LANSING BOARD OF WATER AND LIGHT
CAFETERIA PLAN
BASIC PLAN DOCUMENT**

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LANSING BOARD OF WATER AND LIGHT
 CAFETERIA PLAN
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ARTICLE 1
INTRODUCTION

Section 1.01 PLAN

This document ("Basic Plan Document") and its related Adoption Agreement are intended to qualify as a cafeteria plan within the meaning of Code section 125. To the extent provided in the Adoption Agreement, the Plan provides for the pre-tax payment of premiums and contributions to spending accounts that are excludable from gross income under Code section 125, reimbursement of certain medical expenses that are excludable from gross income under Code section 105(b) and reimbursement of certain dependent care expenses that are excludable from gross income under Code section 129, and reimbursement of certain adoption expenses that are excludable from gross income under Code section 137.

Section 1.02 APPLICATION OF PLAN

Except as otherwise specifically provided herein, the provisions of this Plan shall apply to those individuals who are Eligible Employees of the Company on or after the Effective Date. Except as otherwise specifically provided for herein, the rights and benefits, if any, of former Eligible Employees of the Company whose employment terminated prior to the Effective Date, shall be determined under the provisions of the Plan, as in effect from time to time prior to that date.

ARTICLE 2
DEFINITIONS

"Account" means the balance of a hypothetical account established for each Participant as of the applicable date. "Account" or "Accounts" shall include to the extent provided in the Adoption Agreement, a Premium Conversion Account, a Health Care Reimbursement Account, a Dependent Care Assistance Account, an Adoption Assistance Account and such other account(s) or subaccount(s) as the Plan Administrator, in its discretion, deems appropriate.

"Adoption Agreement" means the document executed in conjunction with this Basic Plan Document that contains the optional features selected by the Plan Sponsor.

"Adoption Assistance Account" means the Account established with respect to the Participant's election to have adoption expenses reimbursed by the Plan pursuant to Section 4.04.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Company" means the Plan Sponsor and any other entity that has adopted the Plan with the approval of the Plan Sponsor.

"Compensation" means the cash wages or salary paid to a Participant. If the Adoption Agreement indicates that the Plan is a simple cafeteria plan as defined in Code section 125(j), "Compensation" shall mean Section 414(s) Compensation (defined below).

"Contract" means an insurance policy, contract or self-funded arrangement under which a Participant is eligible to receive benefits regardless of whether such policy, contract or arrangement is related to any benefit offered hereunder. Contract shall not include any product which is advertised, marketed, or offered as long-term care insurance. As of January 1, 2014, "Contract" may not include any qualified health plan (as defined in section 1301(a) of the Patient Protection and Affordable Care Act) offered through an exchange established under section 1311 of such Act unless the Employee's Employer is a qualified employer (as defined in section 1312(f)(2) of the Patient Protection and Affordable Care Act) offering the Employee the opportunity to enroll through such exchange in a qualified health plan in a group market.

"Dependent Care Assistance Account" means the Account established with respect to the Participant's election to have dependent care expenses reimbursed by the Plan pursuant to Section 4.03.

"Effective Date" shall have the meaning set forth in the Adoption Agreement.

"Eligible Employee" means any Employee employed by the Company, subject to the modifications and exclusions described in the Adoption Agreement. If an individual is subsequently reclassified as, or determined to be, an Employee by a court, the Internal Revenue Service or any other governmental agency or authority, or if the Company is required to reclassify such individual an Employee as a result of such reclassification determination (including any reclassification by the Company in settlement of any claim or action relating to such individual's employment status), such individual shall not become an Eligible Employee by reason of such reclassification or determination.

An individual who becomes employed by the Employer in a transaction between the Employer and another entity that is a stock or asset acquisition, merger, or other similar transaction involving a change in the employer of the employees of the trade or business shall not become eligible to participate in the Plan until the Plan Sponsor specifically authorizes such participation.

"Employee" means any individual who is employed by the Employer. The term "Employee" shall not include: (i) a self-employed individual (including a partner) as defined in Code section 401(c), or (ii) any person who owns (or is considered as owning within the meaning of Code section 318) more than 2 percent of the outstanding stock of an S corporation.

"Employer" means the Company or any other employer required to be aggregated with the Company under Code sections 414(b), (c), (m) or (o); provided, however, that "Employer" shall not include any entity or unincorporated trade or business prior to the date on which such entity, trade or business satisfies the affiliation or control tests described above.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"FMLA" means the Family and Medical Leave Act of 1993 as amended from time to time.

"Health Care Reimbursement Account" means the Account established with respect to the Participant's election to have medical expenses reimbursed by the Plan pursuant to Section 4.02.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended from time to time.

"Participant" means an Eligible Employee who participates in the Plan in accordance with Articles 3 and 4.

"Plan Administrator" means the person(s) designated pursuant to the Adoption Agreement and Section 7.01.

"Plan Sponsor" means the entity described in the Adoption Agreement.

"Plan Year" means the 12-consecutive month period described in the Adoption Agreement.

"Premium Conversion Account" means the Account established with respect to the Participant's election to have premiums reimbursed by the Plan pursuant to Section 4.01.

"Section 414(s) Compensation" means compensation as defined in Code section 414(s) and Treas. Reg. section 1.414(s)-1. The period used to determine an Employee's compensation for a Plan Year must be either the Plan Year or the calendar year ending within the Plan Year. Whichever period is selected by the Plan Administrator must be applied uniformly to determine the compensation of every eligible Employee under the Plan for that Plan Year. The Plan Administrator may, however, limit the period taken into account under either method to that portion of the Plan Year or calendar year in which the Employee was an eligible Employee, provided that this limit is applied uniformly to all eligible.

"Termination" and "Termination of Employment" means any absence from service that ends the employment of the Employee with the Company.

ARTICLE 3
PARTICIPATION

Section 3.01 PARTICIPATION

Each Eligible Employee as of the Effective Date who was eligible to participate in the Plan immediately prior to the Effective Date shall be a Participant eligible to make benefit elections pursuant to Article 4 on the Effective Date. Each other Eligible Employee who was not a Participant in the Plan prior to the Effective Date shall become a Participant eligible to make benefit elections pursuant to Article 4 on the date specified in the Adoption Agreement; provided that he is an Eligible Employee on such date. Notwithstanding the foregoing, a Participant shall be eligible to make elections only for the Accounts as are specifically authorized in the Adoption Agreement.

Section 3.02 TRANSFERS

If a change in job classification or a transfer results in an individual no longer qualifying as an Eligible Employee, such Employee shall cease to be a Participant for purposes of Article 4 (or shall not become eligible to become a Participant) as of the effective date of such change of job classification or transfer; unless otherwise provided in the Adoption Agreement. Should such Employee again qualify as an Eligible Employee, he shall be eligible to participate as of the first day of the subsequent Plan Year; unless earlier participation is required by applicable law or permitted pursuant to the change of status provisions of Section 4.07(a). If an Employee who was not previously an Eligible Employee becomes an Eligible Employee, he shall be eligible to participate on the first entry date following the later of the effective date of such subsequent change of status or the date the Employee meets the eligibility requirements of this Article 3.

Section 3.03 TERMINATION AND REHIRES

(a) Participants. If a Participant has a Termination of Employment, such Employee shall cease to be a Participant for purposes of Article 4 as of his Termination of Employment. The Plan Administrator may continue participation for purposes of Article 4.01 until the end of the calendar month coincident with or next following his Termination of Employment or other timeframe according to established Plan Administrator procedures. Unless otherwise provided in the Adoption Agreement, if an individual who has satisfied the applicable eligibility requirements set forth in Article 3 as of his Termination date, and who is subsequently reemployed by the Company as an Eligible Employee, shall resume or become a Participant as of the later of the first day of the subsequent Plan Year or the first entry date following reemployment. Notwithstanding the foregoing and if so provided in the Adoption Agreement, the Plan Administrator shall automatically reinstate benefit elections for Terminated Participants who are rehired within 30 days of Termination and permit new benefit elections for Terminated Participants who are rehired more than 30 days after Termination.

(b) Non-Participants. An Eligible Employee who has not satisfied the applicable eligibility requirements set forth in Article 3 on his Termination date, and who is subsequently reemployed by the Company as an Eligible Employee, shall be eligible to participate on the first entry date following the later of the effective date of such reemployment or the date the individual meets the eligibility requirements of this Article 3.

Section 3.04 PROCEDURES FOR ADMISSION

The Plan Administrator shall prescribe such forms and may require such data from Participants as are reasonably required to enroll a Participant in the Plan or to effectuate any Participant elections made pursuant to Article 4.

ARTICLE 4
ACCOUNTS

Section 4.01 PREMIUM CONVERSION ACCOUNTS

(a) In General. To the extent that the Adoption Agreement authorizes Premium Conversion Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Premium Conversion Account described in Subsection (b). The amount of such contributions to and the premiums that may be reimbursed from the Premium Conversion Account shall not exceed the employee-paid portion of premiums payable under the Contracts specified in the Adoption Agreement. If a Contract is offered in conjunction with a Company-sponsored benefit plan, a Participant shall be eligible to make contributions to the Premium Conversion Account with respect to that Contract only if he or she is also eligible to participate in the applicable Company-sponsored plan. The Account established under this Section 4.01 is intended to qualify under Code Sections 79 and 106(a) to the extent so indicated in the Adoption Agreement and shall be interpreted in a manner consistent with such Code sections. Elections for Code section 79 coverage shall be made on an after-tax basis to the extent that the premiums relate to coverage in excess of the limit described in Code section 79(a).

(b) Premium Conversion Account. Each Participant's Premium Conversion Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for amounts applied to employee-paid portion of applicable premiums. However, the Plan Administrator will not direct the Company to pay any premium on a Contract to the extent such payment exceeds the balance of a Participant's Premium Conversion Account.

(c) Conflicts. In the event of a conflict between the terms of this Plan and the terms of a Contract, the terms of the Contract (or the benefit plan under which it is established) shall control in defining the terms and conditions of coverage including, but not limited to, the persons eligible for coverage, the dates of their eligibility, the conditions which must be satisfied to become covered, if any, the benefits Participants are entitled to and the circumstances under which coverage terminates.

Section 4.02 HEALTH CARE REIMBURSEMENT ACCOUNTS

(a) In General. To the extent that the Adoption Agreement authorizes Health Care Reimbursement Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Health Care Reimbursement Account described in Subsection (b). The amount of such salary reduction contributions to the Health Care Reimbursement Account shall not exceed the maximum annual limit described in the Adoption Agreement. The Account established under this Section 4.02 is intended to qualify as a health flexible spending arrangement under Code Sections 105 and 106(a) and shall be interpreted in a manner consistent with such Code sections.

(b) Health Care Reimbursement Account. Each Participant's Health Care Reimbursement Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for expenses described in Subsection (c). The entire annual amount elected by the Participant on the salary reduction agreement for the Plan Year for the Health Care Reimbursement Account less any reimbursements already disbursed shall be available to the Participant at any time during the Plan Year without regard to the balance in the Health Care Reimbursement Account provided that the amounts elected in the salary reduction agreement have been paid as provided in the salary reduction agreement.

(c) Eligible Expenses. Except as otherwise provided in the Adoption Agreement, a Participant may be reimbursed from his or her Health Care Reimbursement Account for expenses that are: (i) incurred in the Plan Year (except as provided in Section 4.05(c)), (ii) incurred while the Participant participates in the Plan, and (iii) excludable under Code section 105(b); provided that such expenses that are not covered, paid or reimbursed from any other source.

(1) For purposes of Code section 105(b), unless otherwise provided in the Adoption Agreement, dependents shall also include students who have not attained the age of 24 for whom coverage is required under Code section 9813; provided, that treatment as a dependent due to a medically necessary leave of absence under Code section 9813 shall not extend beyond a period of one year.

(2) For purposes of Code section 105(b), unless otherwise provided in the Adoption Agreement, expenses for a child (as defined in section 152(f)(1)) of the Participant may be covered until his or her 26th birthday although the Plan Administrator may extend coverage until the end of the calendar year in which the child turns age 26.

(3) Effective January 1, 2011, reimbursement for expenses incurred for a medicine or a drug shall be treated as a reimbursement for medical expenses under Code section 105(b) only if such medicine or drug is a prescribed drug (determined without regard to whether such drug is available without a prescription) or is insulin.

(d) Qualified Reservist Distributions.

(1) If the Plan allows Qualified Reservist Distributions, a Participant may receive a distribution of the portion of his Health Care Reimbursement Account specified in the Adoption Agreement provided that such amount was in existence on or after June 18, 2008. The distribution will only be made if: (i) such Participant was a member of a reserve component ordered or called to active duty for a period in excess of 179 days or for an indefinite period and (ii) such distribution is made during the period beginning on the date of such order or call and ending on the last date that reimbursements could otherwise be made under the Plan for the Plan Year which includes the date of such order or call. A Participant ordered or called to active duty before June 18, 2008 is eligible for a Qualified Reservist Distribution if the Participant's period of active duty continues after June 18, 2008 and meets the duration requirements of IRS Notice 2008-82. A Qualified Reservist Distribution may not be made based on an order or call to active duty of any individual other than the Participant, including the spouse of the Participant.

(2) The Plan shall permit a Participant to submit Health Care Reimbursement Account claims for medical expenses incurred before the date a Qualified Reservist Distribution is requested. The Participant shall not have the right to submit claims for medical expenses incurred after the date such Qualified Reservist Distribution is requested. The Company shall pay the Qualified Reservist Distribution to the Participant within a reasonable time, but not more than sixty days after the request for a Qualified Reservist Distribution has been made.

(3) This Subsection shall be construed in accordance with IRS Notice 2008-82 and any superseding guidance.

Section 4.03 DEPENDENT CARE ASSISTANCE ACCOUNTS

(a) In General. To the extent that the Adoption Agreement authorizes Dependent Care Assistance Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Dependent Care Assistance Account described in Subsection (b). The Account established under this Section 4.03 is intended to qualify as a dependent care assistance program under Code Section 129 and shall be interpreted in a manner consistent with such Code section which provisions are incorporated herein by reference.

(b) Dependent Care Assistance Account. Each Participant's Dependent Care Assistance Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for expenses described in Subsection (c). However, the Plan Administrator will not direct the Company to reimburse such expenses to the extent the reimbursement exceeds the balance of a Participant's Dependent Care Assistance Account.

(c) Eligible Expenses.

(1) In General. A Participant may be reimbursed from his or her Dependent Care Assistance Account to the extent that such reimbursement: (i) is incurred in the Plan Year (except as provided in Section

4.05(c), (ii) is incurred while the Participant participates in the Plan, and (iii) qualifies as dependent care expenses; provided that such expenses that are not covered, paid or reimbursed from any other source and the Participant does not claim a tax benefit for the same expenses.

(2) **Dependent Care Expenses.** Dependent care expenses are defined as expenses incurred for the care of a qualifying individual. A qualifying individual is either: (i) a dependent who is under age 13, or (ii) the Participant's spouse or dependent who lives with the Participant and is physically or mentally incapable of caring for himself/herself. However, these expenses are dependent care expenses only if they allow the Participant to be gainfully employed. Dependent care expenses include expenses for household services and expenses for the care of a qualifying individual. Such term shall not include any amount paid for services outside the Participant's household at a camp where the qualifying individual stays overnight. Expenses described in this Subsection which are incurred for services outside the Participant's household are not taken into account if they are incurred on behalf of the Participant's spouse or dependent who is physically or mentally incapable of caring for himself/herself unless such individual lives at least 8 hours per day in the Participant household. Expenses incurred at a dependent care center are taken into account only if such center complies with all applicable laws and regulations of a state or local government, the center provides care for more than six individuals, and the center receives a fee, payment, or grant for providing services for any of the individuals.

(3) **Limits.** The maximum amount of expense that may be contributed/reimbursed in any taxable year for the Dependent Care Assistance Account is \$5,000 (\$2,500 if the Participant is married and filing a separate return). The amount payable may also not be greater than the amount of the Participant's earned income or the earned income of his or her spouse. In the case of a spouse who is a student or a qualifying individual, Code section 21(d)(2) shall apply in determining earned income.

(d) If the Plan allows Employees that cease to be Participants in the plan to spend down unused Dependent Care Assistance Account expenses, Employees that cease to Participate in the Plan (due to Termination or any other reason) may be reimbursed for unused benefits through the end of the Plan Year in which the Termination of Participation occurs (or grace period if provided in the Plan) to the extent the claims do not exceed the balance of the Dependent Care Assistance Account.

Section 4.04 ADOPTION ASSISTANCE ACCOUNTS

(a) **In General.** To the extent that the Adoption Agreement authorizes Adoption Assistance Accounts, each Participant may choose to receive his or her full Compensation for any Plan Year in cash or to have a portion of such Compensation applied by the Company toward the Adoption Assistance Account described in Subsection (b). The Account established under this Section 4.04 is intended to qualify as an adoption assistance program under Code Section 137 and shall be interpreted in a manner consistent with such Code section which provisions are incorporated herein by reference.

(b) **Adoption Assistance Account.** Each Participant's Adoption Assistance Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for reimbursements described in Subsection (c). However, the Plan Administrator will not direct the Company to reimburse such expenses to the extent the reimbursement exceeds the balance of a Participant's Adoption Assistance Account.

(c) **Eligible Expenses.**

(1) **In General.** A Participant may be reimbursed from his or her Adoption Assistance Account to the extent that such reimbursement is (i) incurred in the Plan Year (except as provided in Section 4.05(c)), (ii) incurred while the Participant participates in the Plan, and (iii) qualifies as adoption assistance; provided that such expenses that are not covered, paid or reimbursed from any other source and the Participant does not claim a tax benefit for the same expenses.

(2) **Adoption Assistance.** Adoption assistance is defined as reasonable and necessary adoption fees, court costs, attorney fees and other expenses which are (i) directly related to the legal adoption of an eligible child by the Participant and (ii) not incurred in violation of state or federal law or in carrying out any

surrogate parenting arrangement. An eligible child includes a child under age 18 or a child who is physically or mentally incapable of caring for himself/herself. However, an eligible child does not include a child of the Participant's spouse. In the case of an adoption of a child who is not a citizen or resident of the United States, any adoption expense with respect to such adoption is not reimbursable until such adoption becomes final.

(3) Limits. The maximum amount of expense that may be contributed/reimbursed for the Adoption Assistance Account for any Plan Year beginning in a calendar year is the maximum amount permitted by federal tax law for that calendar year. The annual limit shall be reduced for adoption assistance expenses incurred any prior Plan Year.

Section 4.05 FORFEITURES/TRANSFERS

(a) Forfeitures. Any balance remaining in a Participant's Account at the end of any Plan Year (or after the grace period if Subsection (c) applies) shall be forfeited and shall remain the property of the Company. Except as expressly provided herein, any balance remaining in a Participant's Account on his date of Termination shall be forfeited and shall remain the property of the Company. However, no forfeiture shall occur until all payments and reimbursements hereunder have been made on claims submitted within the time period specified in Section 6.01(b).

(b) Transfers. Amounts may not be transferred between Accounts.

(c) Grace Period. If the Adoption Agreement provides for a 2-1/2 month grace period, effective for grace periods beginning on or after the date specified in the Adoption Agreement and notwithstanding anything to the contrary in the Plan, the unused contributions that remain in a Participant's Account at the end of a Plan Year may be used to reimburse expenses that are incurred during the grace period. The grace period shall commence on the first day of the subsequent Plan Year and shall end on the fifteenth day of the third calendar month of the subsequent Plan Year. Unless otherwise provided in the Adoption Agreement, the grace period shall apply to all Accounts in which the Participant is eligible to Participate. Payment or reimbursement of unused benefits shall be subject to the following terms and conditions:

(1) Same Account. Unused contributions remaining at the end of a Plan Year relating to a particular Account may only be used to reimburse expenses incurred with respect to that Account.

(2) No Cash Out. Unused contributions remaining at the end of a Plan Year may not be cashed-out or converted to any other taxable or nontaxable benefit.

(3) No Carryforward. Any unused contributions remaining at the end of a Plan Year that exceed the expenses for a particular Account that are incurred during the grace period may not be carried forward to any subsequent period (including any subsequent Plan Year) and shall be forfeited.

(4) Construction. This Section 4.05(c) is to be construed in accordance with IRS Notice 2005-42 and any superseding guidance.

Section 4.06 ELECTIONS

(a) New Participants. The Plan Administrator shall provide, where possible, an election form to a Participant before such Participant meets the eligibility requirements of Article 3. In order to participate in the Plan in the initial Plan Year, the Participant must return the completed election form to the Plan Administrator on or before such date as specified by the Plan Administrator. However, any election shall not be effective until a pay period following the later of such Participant's effective date of participation pursuant to Article 3 or the date of the receipt of the election form by the Plan Administrator and shall be limited to the expenses incurred after the effective date of the election.

(b) Continuing Participants. Prior to the commencement of each Plan Year, the Plan Administrator shall provide an election form to each Participant and to each other individual who is expected to become a Participant at the beginning of such Plan Year. In order to participate in the Plan in the applicable Plan Year, the Participant must return the completed election form to the Plan Administrator on or before such date specified in the

Adoption Agreement, which date shall be no later than the beginning of the first pay period for which the individual's Compensation reduction agreement will apply.

(c) Failure to Return Election Form. The failure of a Participant described in Subsection (a) to return a completed election form to the Plan Administrator on or before the specified due date shall constitute an election to receive his or her full Compensation in cash for the remainder of the Plan Year. The failure of a Participant described in Subsection (b) to return a completed election form to the Plan Administrator on or before the specified due date shall constitute an election not to participate for the applicable Plan Year unless a default election is otherwise specified in the Adoption Agreement or under Subsection (d).

(d) Premium Conversion Special Election Rules. If elected in the Adoption Agreement, a Participant shall be deemed to elect to contribute the entire amount of any premiums payable by the Participant for the benefits described in Section 4.01 unless he or she affirmatively elects otherwise before such date specified by the Plan Administrator. If elected in the Adoption Agreement, a Participant's election for benefits described in Section 4.01 shall be automatically adjusted for any change in the cost of premiums pursuant to the terms of Treas. Reg. 1.125-4.

(e) Form of Elections. All elections shall be made in written form unless the Plan Administrator provides procedures for such elections to be made in electronic and/or telephonic format to the extent that such alternative format is permitted under applicable law.

(f) Leave of Absence/FMLA/USERRA. If the Plan is subject to FMLA or the Plan Administrator determines that the Plan is subject to FMLA, the Plan Administrator shall permit a Participant taking unpaid leave under the FMLA to continue medical benefits under such applicable law unless otherwise specified in the Adoption Agreement. To the extent provided in the Adoption Agreement, the Plan Administrator shall also permit a Participant taking unpaid Non-FMLA leave to continue the benefits specified in the Adoption Agreement. Participants continuing participation pursuant to the foregoing shall pay for such coverage (on a pre-tax or after-tax basis) under a method as determined by the Plan Administrator satisfying Treas. Reg. 1.125-3 Q&A-3. Any Participant on FMLA leave who revoked coverage shall be reinstated to the extent required by Treas. Reg. 1.125-3. If the Participant's coverage under the Plan terminates while the Participant is on FMLA leave, the Participant is not entitled to receive reimbursements for claims incurred during the period when the coverage is terminated. Upon reinstatement into the Plan upon return from FMLA leave, the Participant has the right to (i) resume coverage at the level in effect before the FMLA leave and make up the unpaid premium payments, or (ii) resume coverage at a level that is reduced by the amount of unpaid premiums and resume premium payments at the level in effect before the FMLA leave. The Plan Administrator shall also permit Participants to continue benefit elections as required under the Uniformed Services Employment and Reemployment Rights Act and shall provide such reinstatement rights as required by such law. The Plan Administrator shall also permit Participants to continue benefit elections as required under any other applicable state law to the extent that such law is not pre-empted by federal law.

(g) COBRA. If the Plan is subject to COBRA (Code section 4980B and other applicable state law) or the Plan Administrator determines that the Plan is subject to COBRA, a Participant shall be entitled to continuation coverage as prescribed in Code Section 4980B (and the regulations thereunder) or such applicable state statutes.

(h) Procedures. A Participant shall make the elections described in this Section in such form and manner as may be prescribed by the Plan Administrator and at such time in advance as the Plan Administrator may require. Such procedures may include, without limitation, a minimum annual and per-pay period contribution amount, a maximum contribution per pay-period amount consistent with applicable annual limits, and the ability of a Participant to make after-tax contributions to the Plan.

Section 4.07 REVOCAION OF ELECTIONS

(a) By Participant. Any election made under this Article 4 shall be irrevocable by the Participant during the Plan Year unless revocation is required by the provisions of the Federal Family and Medical Leave Act or other applicable law and is permitted under Treas. Reg. 1.125-4 and the provisions of the Adoption Agreement. If the Adoption Agreement provides that elections may be modified at any time permitted under Treas. Reg. section 1.125-4, elections may be modified upon the occurrence of any of the following events:

(1) HIPAA Special Enrollment Rights. Participant may revoke an election for coverage under a group health plan during a period of coverage and make a new election that corresponds with the special enrollment rights provided in Code section 9801(f).

(2) Change in Status. A Participant may revoke an election during a period of coverage with respect to a qualified benefits plan (as defined in Treas. Reg. 1.125-4(i)(8)) and make a new election for the remaining portion of the period if, under the facts and circumstances: (i) a change in status described in Subsections (A)-(F) occurs; and (ii) the election change is on account of and corresponds with a change in status that affects eligibility for coverage under a qualified benefits plan.

(A) Legal Marital Status. Events that change a Participant's legal marital status, including the following: marriage; death of spouse; divorce; legal separation; and annulment.

(B) Number of Dependents. Events that change a Participant's number of dependents, including the following: birth; death; adoption; and placement for adoption.

(C) Employment Status. Any of the following events that change the employment status of the Participant, the Participant's spouse, or the Participant's dependent: a termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in worksite and, the extent permitted in Treas. Reg. 1.125-4 and Section 3.03, change in employment status resulting in gaining or losing eligibility under the Plan.

(D) Dependent Satisfies or Ceases to Satisfy Eligibility Requirements. Events that cause a Participant's dependent to satisfy or cease to satisfy eligibility requirements for coverage on account of attainment of age, student status, or any similar circumstance.

(E) Residence. A change in the place of residence of the Participant, spouse, or dependent.

(F) Adoption Assistance. For purposes of adoption assistance provided through Section 4.04 of the Plan, the commencement or termination of an adoption proceeding.

(3) Judgment, Decree, or Order. A Participant may modify an election pursuant to a judgment, decree, or order resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order as defined in ERISA section 609) that requires accident or health coverage for a Participant's child or for a foster child who is a dependent of the Participant; provided that the modification:

(A) changes the Participant's election to provide coverage for the child if the order requires coverage for the child under the Plan; or

(B) cancels coverage for the child if the order requires the spouse, former spouse, or other individual to provide coverage for the child; and that coverage is, in fact, provided.

(4) Entitlement to Medicare or Medicaid. A Participant may modify an election for benefits attributable to a Company-sponsored accident or health plan if the Participant, spouse, or dependent becomes entitled to coverage under Medicare or Medicaid (other than coverage consisting solely of benefits under the program for distribution of pediatric vaccines). The Participant may make a prospective election change to cancel or reduce coverage of that Participant, spouse, or dependent under the accident or health plan. Corresponding rights to commence or increase benefits under the accident or health plan shall be granted in the case of loss of coverage under Medicare or Medicaid.

(5) Significant Cost or Coverage Changes. A Participant may modify an election for benefits, other than those provided in Section 4.02, as a result of changes in cost or coverage pursuant to Treas. Reg. section 1.125-4.

(6) FMLA. A Participant taking leave under the FMLA may revoke an existing election of accident or health plan coverage and make such other election for the remaining portion of the period of coverage as may be provided for under the FMLA.

(b) By Plan Administrator. If the Plan Administrator determines that the Plan may fail to satisfy any nondiscrimination requirement or any limitation imposed by the Code, the Plan Administrator may modify any election in order to assure compliance with such requirements or limitations. Any act taken by the Plan Administrator under this Subsection shall be carried out in a uniform and non-discriminatory manner.

(c) Automatic Termination of Election. Any election made under this Section shall automatically terminate on the date specified in Sections 3.02 or 3.03.

(d) Plan Administrator Discretion. The Plan Administrator reserves the right to determine whether a Participant has experienced an event that would permit an election change under this Section 4.07 and whether the Participant's requested election change is consistent with such event.

Section 4.08 HEALTH SAVINGS ACCOUNTS SPECIAL RULES

(a) In General. Notwithstanding anything in the Plan to the contrary, this Section 4.08 shall apply to the extent that the Adoption Agreement allows the Plan to fund Health Savings Accounts within the meaning of Code section 223 ("HSA Contributions").

(b) HSA Account. The Plan Administrator shall establish an HSA Account to separately account for contributions/payments used to fund Health Savings Accounts. Each Participant's HSA Account will be credited with amounts withheld from the Participant's Compensation and amounts paid by the Company pursuant to Section 4.09; and will be debited for payments to the applicable Health Savings Account.

(c) No Forfeitures. Any balance remaining in a Participant's HSA Account at the end of any Plan Year shall be carried forward and used to fund such benefits in any subsequent Plan Year.

(d) Benefit Limited to Account Balance. The Plan Administrator shall not direct the Company to fund a Health Savings Account to the extent the payment exceeds the balance of a Participant's HSA Account.

(e) Period of Coverage. The mandatory twelve month period of coverage shall not apply to HSA Contributions.

(f) Modifications of Elections. A Participant who elects to make HSA Contributions may start or stop the election or increase or decrease the election at any time as long as the change is effective prospectively (i.e., after the request for the change is received). The Plan Administrator may place additional restrictions on the election of HSA Contributions; provided, however, that the same restrictions shall apply to all Participants.

(g) HSA Comparability Rules. Any contribution to an HSA from the Plan shall comply with Treas. Reg. section 54.4980G-5 and any superseding guidance.

Section 4.09 EMPLOYER CONTRIBUTIONS

The Company may contribute to the Plan to the extent provided in the Adoption Agreement. Such contributions shall be credited to the applicable Account at such time as determined by the Company.

ARTICLE 5
LIMITATIONS ON CONTRIBUTIONS

Section 5.01 NONDISCRIMINATION

If the Adoption Agreement indicates this Plan is intended to be a simple cafeteria plan and the requirements of Code section 125(j) are met for any year, the following nondiscrimination requirements of Code sections 125(b), 79(d), 105(h) and 129(d)(2), (3), (4), and (8) shall be treated as met during such year.

(a) Cafeteria Plan. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 125(e)) as to benefits provided or eligibility to participate.

(b) Group Term Life. The Plan may not discriminate in favor of key employees (within the meaning of Code section 416(i)(1)) as to benefits provided or eligibility to participate with respect to any group term life insurance offered pursuant to Section 4.01.

(c) Health Care Reimbursement Accounts. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 105(h)(5)) as to benefits provided or eligibility to participate with respect to the Account described in Section 4.02.

(d) Dependent Care Assistance Accounts. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 414(q)) as to benefits provided or eligibility to participate with respect to the Account described in Section 4.03.

(e) Adoption Assistance Accounts. The Plan may not discriminate in favor of highly compensated employees (within the meaning of Code section 414(q)) as to benefits provided or eligibility to participate with respect to the Account described in Section 4.04.

Section 5.02 LIMITATIONS ON CONTRIBUTIONS

(a) Cafeteria Plan. Key employees (within the meaning of Code section 416(i)(1)) may not receive more than 25% of the aggregate benefits provided for all employees under the Plan.

(b) Dependent Care Assistance Accounts. Shareholders or owners owning more than 5% of the capital or profits interest of the Employer may not receive more than 25% of the aggregate benefits provided for all employees under the Plan with respect to the Account described in Section 4.03. The average benefits provided under Section 4.03 to Participants who are not highly compensated employees must be at least 55 percent of the average benefits provided to highly compensated employees of the Company.

(c) Adoption Assistance Accounts. Shareholders or owners owning more than 5% of the capital or profits interest of the Employer may not receive more than 5% of the aggregate benefits provided for all employees under the Plan with respect to the Account described in Section 4.04.

ARTICLE 6
REIMBURSEMENTS

Section 6.01 PROCEDURES FOR REIMBURSEMENT

(a) Benefits Provided by Contracts. All claims for benefits that are provided under Contracts shall be made by the Participant to the company issuing such contract.

(b) Timing of Claims. Reimbursements and/or payments shall only be made for expenses incurred in the applicable Plan Year while the Participant participates in the Plan. Except as otherwise expressly provided herein, no reimbursement and/or payment shall be made for any expenses relating to services rendered before participation or after Termination of Employment for any reason. All claims for reimbursement and/or payment must be made within the time periods specified in the Adoption Agreement.

(c) Documentation. A Participant or any other person entitled to benefits from the Plan (a "Claimant") may apply for such benefits by completing and filing a claim with the Plan Administrator. Any such claim shall include all information and evidence that the Plan Administrator deems necessary to properly evaluate the merit of and to make any necessary determinations on a claim for benefits. The Plan Administrator may request any additional information necessary to evaluate the claim.

(d) Payment. To the extent that the Plan Administrator approves the claim, the Company shall: (i) reimburse the Claimant, or (ii) at the option of the Plan Administrator, pay the service provider directly for any amounts payable from the Accounts established hereunder. The Plan Administrator shall establish a schedule, not less frequently than monthly, for the payment of claims. The Plan Administrator may provide that payments/reimbursements of less than a certain amount may be carried forward and aggregated with future claims until the reimbursable amount is greater than such minimum, provided, however, that the entire amount of payments/reimbursements outstanding at the end of the Plan Year shall be reimbursed without regard to the minimum payment amount.

(e) Coordination with HRA. A Participant who is also eligible to participate in a Code section 105 health reimbursement arrangement ("HRA") sponsored by the Company shall not be entitled to payment/reimbursement under the Health Care Reimbursement Account for expenses that are reimbursable under both the Health Care Reimbursement Account and the HRA until the Participant has received his or her maximum reimbursement under the HRA. Notwithstanding the foregoing, a Participant shall be entitled to payment/reimbursement under the Health Care Reimbursement Account if before the Plan Year begins, the plan document for the HRA specifies that coverage under the HRA is available only after expenses exceeding the applicable dollar amounts in the Health Care Reimbursement Account have been paid.

(f) Death. If a Participant dies, his beneficiaries or his estate may submit claims for expenses or benefits for the portion of the Plan Year preceding the date of the Participant's death. A Participant may designate a specific beneficiary for this purpose. If no such beneficiary is specified, the Plan Administrator may pay any amount due hereunder to the Participant's spouse, one or more of his or her dependents or a representative of the Participant's estate. Such payment shall fully discharge the Plan Administrator and the Company from further liability on account thereof.

(g) Form of Claim/Notice. All claims and notices shall be made in written form unless the Plan Administrator provides procedures for such claims and notices to be made in electronic and/or telephonic format to the extent that such alternative format is permitted under applicable law.

(h) Refunds/Indemnification. If the Plan Administrator determines that any Claimant has directly or indirectly received excess payments/reimbursements or has received payments/reimbursements that are taxable to the Claimant, the Plan Administrator shall notify the Claimant and the Claimant shall repay such excess amount (or at the option of the Plan Administrator, the Claimant shall repay the amount that should have been withheld or paid as payroll or withholding taxes) as soon as possible, but in no event later than 30 days after the date of notification. A Claimant shall indemnify and reimburse the Company for any liability the Company may incur for making such

payments, including but not limited to failure to withhold or pay payroll or withholding taxes from such payments or reimbursements. If the Claimant fails to timely repay an excess amount and/or make sufficient indemnification, the Plan Administrator may: (i) to the extent permitted by applicable law, offset the Claimant's salary or wages, and/or (ii) offset other benefits payable hereunder.

(i) Debit, Credit or Other Stored Value Cards. To the extent provided in the Adoption Agreement, the Company may enter into an agreement with a financial institution to provide a Participant with a debit, credit or other stored value card to provide immediate payment of reimbursements available under Section 4.02 and/or Section 4.03 provided that the use of such card complies with IRS Revenue Ruling 2003-43 (to the extent not superseded by IRS Notice 2006-69), IRS Notice 2006-69, IRS Notice 2007-2, IRS Notice 2008-104, IRS Notice 2010-59, IRS Notice 2011-5 and any superseding guidance. A Participant may obtain benefits under Sections 4.02 and 4.03 without the use of the card.

(j) HSA Coordination. Except as otherwise provided in the Adoption Agreement, benefits under this Plan shall not be coordinated with coverage in a high deductible health plan to facilitate participation in Health Savings Accounts.

(k) Plan Administrator Procedures. The Plan Administrator may establish procedures regarding the documentation to be submitted in a claim for reimbursement and/or payment and may also establish any other procedures regarding claims for reimbursement and/or payment provided that the procedures do not violate ERISA section 503 if the Adoption Agreement indicates the plan is subject to ERISA. Such procedures may include, without limitation, requirements to submit claims periodically throughout the Plan Year.

Section 6.02 CLAIMS PROCEDURE FOR HEALTH CARE REIMBURSEMENT ACCOUNT

(a) A request for benefits is a "claim" subject to this Section only if it is filed by the Participant or the Participant's authorized representative in accordance with the Plan's claim filing guidelines. In general, claims must be filed in writing. Any claim that does not relate to a specific benefit under the Plan (for example, a general eligibility claim or a dispute involving a mid-year election change) must be filed with the Plan Administrator. A request for prior approval of a benefit or service where prior approval is not required under the Plan is not a "claim" under these rules. Similarly, a casual inquiry about benefits or the circumstances under which benefits might be paid under the Plan is not a "claim" under these rules, unless it is determined that your inquiry is an attempt to file a claim. If a claim is received, but there is not enough information to process the claim, the Participant will be given an opportunity to provide the missing information. Participants may designate an authorized representative if written notice of such designation is provided.

(b) This Section 6.02(b) shall apply for any claim for benefits under the Health Care Reimbursement Account.

(1) Timing of Notice of Denied Claim. The Plan Administrator shall notify the Claimant of any adverse benefit determination within a reasonable period of time, but not later than 30 days after receipt of the claim. This period may be extended one time by the Plan for up to 15 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies the Claimant, prior to the expiration of the initial 30-day period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision. If such an extension is necessary due to a failure of the Claimant to submit the information necessary to decide the claim, the notice of extension shall specifically describe the required information, and the Claimant shall be afforded at least 45 days from receipt of the notice within which to provide the specified information.

(2) Content of Notice of Denied Claim. If a claim is wholly or partially denied, the Plan Administrator shall provide the Claimant with a notice identifying (A) the reason or reasons for such denial, (B) the pertinent Plan provisions on which the denial is based, (C) any material or information needed to grant the claim and an explanation of why the additional information is necessary, (D) an explanation of the steps that the Claimant must take if he wishes to appeal the denial including a statement that the Claimant may bring a civil action under ERISA, and (E): (I) If an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse determination, either the specific rule, guideline, protocol, or other similar criterion; or a statement that such a rule,

guideline, protocol, or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to the Claimant upon request; or (II) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

(3) **Appeal of Denied Claim.** If a Claimant wishes to appeal the denial of a claim, he shall file an appeal with the Plan Administrator on or before the 180th day after he receives the Plan Administrator's notice that the claim has been wholly or partially denied. The appeal shall identify both the grounds and specific Plan provisions upon which the appeal is based. The Claimant shall be provided, upon request and free of charge, documents and other information relevant to his claim. An appeal may also include any comments, statements or documents that the Claimant may desire to provide. The Plan Administrator shall consider the merits of the Claimant's presentations, the merits of any facts or evidence in support of the denial of benefits, and such other facts and circumstances as the Plan Administrator may deem relevant. In considering the appeal, the Plan Administrator shall:

(A) Provide for a review that does not afford deference to the initial adverse benefit determination and that is conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual;

(B) Provide that, in deciding an appeal of any adverse benefit determination that is based in whole or in part on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, the appropriate named fiduciary shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment;

(C) Provide for the identification of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a Claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and

(D) Provide that the health care professional engaged for purposes of a consultation under Subsection (B) shall be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual.

The Plan Administrator shall notify the Claimant of the Plan's benefit determination on review within 60 days after receipt by the Plan of the Claimant's request for review of an adverse benefit determination. The Claimant shall lose the right to appeal if the appeal is not timely made.

(4) **Denial of Appeal.** If an appeal is wholly or partially denied, the Plan Administrator shall provide the Claimant with a notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits, and (4) a statement describing the Claimant's right to bring an action under section 502(a) of ERISA. The determination rendered by the Plan Administrator shall be binding upon all parties.

(5) **Exhaustion of Remedies.** Before a suit can be filed in federal court, claims must exhaust internal remedies.

(c) **Additional Internal and External Claims Procedure for Health Care Reimbursement Account.**

(1) **Applicability.** This Section shall apply for any claim for benefits under the Health Care Reimbursement Account if (A) the Plan constitutes a group health plan as defined in Treas. Reg. section 54.9801-2 or if the Plan Administrator determines that the Plan is subject to HIPAA portability rules and (B) the Plan is not a grandfathered health plan under the Patient Protection and Affordable Care Act.

(2) **Effective Date.** This Section shall be effective the later of the first plan year beginning after September 23, 2010 or the date the Plan is no longer a grandfathered health plan under the Patient Protection and Affordable Care Act.

(3) **Internal Claims Process.** The requirements under Section 6.02(b) shall apply as the internal appeals process except as modified below. This section is intended to satisfy the requirements of DOL Reg. 2590.715-2719 and any superseding guidance.

(A) **Adverse Benefit Determination.** An adverse benefit determination means an adverse benefit determination as defined in DOL Reg. 2560.503-1, as well as any rescission of coverage, as described in DOL Reg. 2590.715-2712(a)(2).

(B) **Full and Fair Review.** A Claimant must be allowed to review the file and present evidence and testimony as part of the internal appeals process. Claimants must be provided, free of charge, with any new or additional evidence considered relied upon or generated by the Plan in connection with the claim sufficiently in advance of the final adverse benefit determination to give the Claimant a reasonable opportunity to respond prior to that date. The Plan must also meet the conflict of interest requirements under DOL Reg. 2590.715-2712(b)(2)(D).

(C) **Notice.** A description of available internal and external claims processes and information regarding how to initiate an appeal must be provided. Notices of adverse benefit determinations must include the information required under DOL Reg. 2590.715-2719(b)(2)(ii)(E) as applicable. The final notice of internal adverse benefit determination must include a discussion of the decision. Notice must be provided in a linguistically appropriate manner as provided under DOL Reg. 2590.715-2719(e). The Plan must disclose the contact information for any applicable office of health insurance consumer assistance or ombudsman established under PHS Act section 2793.

(4) **Deemed Exhaustion of Internal Claims Process.** If the Plan fails to adhere to the requirements of DOL Reg. 2590.715-2719(b)(2), except as provided under DOL Reg. 2590.715-2719(b)(2)(ii)(F)(2), the claimant may initiate an external review under Section 6.02(c)(5) or may bring an action under section 502(a) of ERISA as provided in DOL Reg. 2590.715-2719(b)(2)(ii)(F) and any superseding guidance.

(5) **External Claims Process.**

(A) **State External Claims Process.** If the Adoption Agreement specifies that the Plan is not subject to ERISA and the State external claims process includes at a minimum the consumer protections in the NAIC Uniform Model Act then the plan must comply with the applicable State claims review process.

(B) **Federal External Claims Process.** The plan must comply with the Federal external claims process of DOL Reg. section 2590.715-2719(d) and any superseding guidance if Subsection (c)(5)(A) above is not applicable.

(d) Notwithstanding anything to the contrary, if the Adoption Agreement specifies that (1) the Plan is not subject to ERISA and (2) the Plan does not constitute a group health plan as defined in Treas. Reg. section 54.9801-2 or the Plan is a grandfathered health plan under the Patient Protection and Affordable Care Act, claims procedures shall be established by the policies and procedures of the Plan Administrator and/or Company and any other applicable law.

Section 6.03 CLAIMS PROCEDURES FOR NON-HEALTH BENEFITS

(a) This Section 6.03 shall apply for any claim for benefits under Accounts other than the Health Care Reimbursement Account.

(b) **Timing of Notice of Denied Claim.** The Plan Administrator shall notify the Claimant of any adverse benefit determination within a reasonable period of time, but not later than 90 days after receipt of the claim. This period may be extended one time by the Plan for up to 90 days, provided that the Plan Administrator both determines that such an extension is necessary due to matters beyond the control of the Plan and notifies the

Claimant, prior to the expiration of the initial 90-day period, of the circumstances requiring the extension of time and the date by which the Plan expects to render a decision.

(c) **Content of Notice of Denied Claim.** If a claim is wholly or partially denied, the Plan Administrator shall provide the Claimant with a written notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) any material or information needed to grant the claim and an explanation of why the additional information is necessary, and (4) an explanation of the steps that the Claimant must take if he wishes to appeal the denial including a statement that the Claimant may bring a civil action under ERISA.

(d) **Appeal of Denied Claim.** If a Claimant wishes to appeal the denial of a claim, he shall file a written appeal with the Plan Administrator on or before the 60th day after he receives the Plan Administrator's written notice that the claim has been wholly or partially denied. The written appeal shall identify both the grounds and specific Plan provisions upon which the appeal is based. The Claimant shall be provided, upon request and free of charge, documents and other information relevant to his claim. A written appeal may also include any comments, statements or documents that the Claimant may desire to provide. The Plan Administrator shall consider the merits of the Claimant's written presentations, the merits of any facts or evidence in support of the denial of benefits, and such other facts and circumstances as the Plan Administrator may deem relevant. The Claimant shall lose the right to appeal if the appeal is not timely made. The Plan Administrator shall ordinarily rule on an appeal within 60 days. However, if special circumstances require an extension and the Plan Administrator furnishes the Claimant with a written extension notice during the initial period, the Plan Administrator may take up to 120 days to rule on an appeal.

(e) **Denial of Appeal.** If an appeal is wholly or partially denied, the Plan Administrator shall provide the Claimant with a notice identifying (1) the reason or reasons for such denial, (2) the pertinent Plan provisions on which the denial is based, (3) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits, and (4) a statement describing the Claimant's right to bring an action under section 502(a) of ERISA. The determination rendered by the Plan Administrator shall be binding upon all parties.

(f) Notwithstanding anything to the contrary, if the Adoption Agreement specifies that the Plan is not subject to ERISA, claims procedures shall be established by the policies and procedures of the Plan Administrator and/or Company and any other applicable law.

Section 6.04 MINOR OR LEGALLY INCOMPETENT PAYEE

If a distribution is to be made to an individual who is either a minor or legally incompetent, the Plan Administrator may direct that such distribution be paid to the legal guardian. If a distribution is to be made to a minor and there is no legal guardian, payment may be made to a parent of such minor or a responsible adult with whom the minor maintains his residence, or to the custodian for such minor under the Uniform Transfer to Minors Act, if such is permitted by the laws of the state in which such minor resides. Such payment shall fully discharge the Plan Administrator and the Company from further liability on account thereof.

Section 6.05 MISSING PAYEE

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participants or other person after reasonable efforts have been made to identify or locate such person, such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited one year after the date any such payment first became due.

ARTICLE 7
PLAN ADMINISTRATION

Section 7.01 PLAN ADMINISTRATOR

(a) Designation. The Plan Administrator shall be specified in the Adoption Agreement. In the absence of a designation in the Adoption Agreement, the Plan Sponsor shall be the Plan Administrator. If a Committee is designated as the Plan Administrator, the Committee shall consist of one or more individuals who may be Employees appointed by the Plan Sponsor and the Committee shall elect a chairman and may adopt such rules and procedures as it deems desirable. The Committee may also take action with or without formal meetings and may authorize one or more individuals, who may or may not be members of the Committee, to execute documents in its behalf.

(b) Authority and Responsibility of the Plan Administrator. The Plan Administrator shall be the Plan "administrator" as such term is defined in section 3(16) of ERISA (if the Adoption Agreement provides that the Plan is subject to ERISA), and as such shall have total and complete discretionary power and authority:

(i) to make factual determinations, to construe and interpret the provisions of the Plan, to correct defects and resolve ambiguities and inconsistencies therein and to supply omissions thereto. Any construction, interpretation or application of the Plan by the Plan Administrator shall be final, conclusive and binding;

(ii) to determine the amount, form or timing of benefits payable hereunder and the recipient thereof and to resolve any claim for benefits in accordance with Article 6;

(iii) to determine the amount and manner of any allocations hereunder;

(iv) to maintain and preserve records relating to the Plan;

(v) to prepare and furnish all information and notices required under applicable law or the provisions of this Plan;

(vi) to prepare and file or publish with the Secretary of Labor, the Secretary of the Treasury, their delegates and all other appropriate government officials all reports and other information required under law to be so filed or published;

(vii) to hire such professional assistants and consultants as it, in its sole discretion, deems necessary or advisable; and shall be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by same;

(viii) to determine all questions of the eligibility of Employees and of the status of rights of Participants;

(ix) to adjust Accounts in order to correct errors or omissions;

(x) to determine the validity of any judicial order;

(xi) to retain records on elections and waivers by Participants;

(xii) to supply such information to any person as may be required;

(xiii) to perform such other functions and duties as are set forth in the Plan that are not specifically given to any other fiduciary or other person.

(c) Procedures. The Plan Administrator may adopt such rules and procedures as it deems necessary, desirable, or appropriate for the administration of the Plan. When making a determination or calculation, the Plan Administrator shall be entitled to rely upon information furnished to it. The Plan Administrator's decisions shall be binding and conclusive as to all parties.

(d) Allocation of Duties and Responsibilities. The Plan Administrator may designate other persons to carry out any of his duties and responsibilities under the Plan.

(e) Compensation. The Plan Administrator shall serve without compensation for its services.

(f) Expenses. All direct expenses of the Plan, the Plan Administrator and any other person in furtherance of their duties hereunder shall be paid or reimbursed by the Company.

(g) Allocation of Fiduciary Duties. A Plan fiduciary shall have only those specific powers, duties, responsibilities and obligations as are explicitly given him under the Plan. It is intended that each fiduciary shall not be responsible for any act or failure to act of another fiduciary. A fiduciary may serve in more than one fiduciary capacity with respect to the Plan.

Section 7.02 INDEMNIFICATION

Unless otherwise provided in the Adoption Agreement, the Company shall indemnify and hold harmless any person serving as the Plan Administrator (and its delegate) from all claims, liabilities, losses, damages and expenses, including reasonable attorneys' fees and expenses, incurred by such persons in connection with their duties hereunder to the extent not covered by insurance, except when the same is due to such person's own gross negligence, willful misconduct, lack of good faith, or breach of its fiduciary duties under this Plan or ERISA to the extent that the Adoption Agreement provides the Plan is subject to ERISA.

Section 7.03 HIPAA PRIVACY RULES

(a) Application. This Section 7.03 shall only apply in the event that this Plan constitutes a group health plan as defined in section 2791(a)(2) of the Public Health Service Act or if the Plan Administrator determines that the Plan is subject to the HIPAA privacy rules.

(b) Privacy Policy. The Plan shall adopt a HIPAA privacy policy, the terms of which are incorporated herein by reference.

(c) Business Associate Agreement. The Plan will enter into a business associate agreement with any persons as may be required by applicable law as determined by the Plan Administrator.

(d) Notice of Privacy Practices. The Plan will provide each Participant with a notice of privacy practices to the extent required by applicable law.

(e) Disclosure to the Company.

(1) In General. This Subsection permits the Plan to disclose protected health information ("PHI"), as defined in the HIPAA privacy rules, to the Company to the extent that such PHI is necessary for the Company to carry out its administrative functions related to the Plan.

(2) Permitted Disclosure. The Plan may disclose the PHI to the Company that is necessary for the Company to carry out the following administrative functions related to the Plan: eligibility determinations, enrollment and disenrollment activities, and Plan amendments or termination. The Company may use and disclose the PHI provided to it from the Plan only for the administrative purposes described in this Subsection.

(3) Limitations. The Company agrees to the following limitations and requirements related to its use and disclosure of PHI received from the Plan:

(A) Use and Further Disclosure. The Company shall not use or further disclose PHI other than as permitted or required by the Plan document or as required by all applicable law, including but not limited to the HIPAA privacy rules. When using or disclosing PHI or when requesting PHI from the Plan, the Company shall make reasonable efforts to limit the PHI to the minimum amount necessary to accomplish the intended purpose of the use, disclosure or request.

(B) Agents and Subcontractors. The Company shall require any agents, including subcontractors, to whom it provides PHI received from the Plan to agree to the same restrictions and conditions that apply to the Company with respect to such information.

(C) Employment-Related Actions. Except as permitted by the HIPAA privacy rules and other applicable federal and state privacy laws, the Company shall not use PHI for employment-related actions and decisions, or in connection with any other employee benefit plan of the Company.

(D) Reporting of Improper Use or Disclosure. The Company shall promptly report to the Plan any improper use or disclosure of PHI of which it becomes aware.

(E) Adequate Protection. The Company shall provide adequate protection of PHI and separation between the Plan and the Company by: (i) ensuring that only those employees who work in the human resources department of the Company on issues related to the healthcare components of the Plan will have access to the PHI provided by the Plan; (ii) restricting access to and use of PHI to only the employees identified in clause (i) above and only for the administrative functions performed by the Company on behalf of the Plan that are described herein; (iii) requiring any agents of the Plan who receive PHI to abide by the Plan's privacy rules; and (iv) using the Company's established disciplinary procedures to resolve issues of noncompliance by the employees identified in clause (i) above.

(F) Return or Destruction of PHI. If feasible, the Company shall return or destroy all PHI received from the Plan that the Company maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made. If such return or destruction is not feasible, the Company shall limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

(G) Participant Rights. The Company shall provide Participants with the following rights: (i) the right to access to their PHI in accordance with 45 C.F.R. §164.524; (ii) the right to amend their PHI upon request (or the Company will explain to the Participant in writing why the requested amendment was denied) and incorporate any such amendment into a Participant's PHI in accordance with 45 C.F.R. §164.526; and (iii) the right to an accounting of all disclosures of their PHI in accordance with 45 C.F.R. §164.528.

(H) Cooperation with HHS. The Company shall make its books, records, and internal practices relating to the use and disclosure of PHI received from the Plan available to HHS for verification of the Plan's compliance with the HIPAA privacy rules.

(4) Certification. By executing the accompanying Adoption Agreement, the Company hereby certifies that the Plan documents have been amended in accordance with 45 C.F.R. §164.504(f), and that the Company shall protect the PHI as described in Subsection 3 herein.

(5) Security Standards Requirement. To comply with the Security Standards regulations that were published on February 21, 2003, the Company must:

(A) implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic PHI that it creates, receives, maintains or transmits on behalf of the Plan;

(B) ensure that the adequate separation required by 45 C.F.R. 164.504(f)(2)(iii) is supported by reasonable and appropriate security measures;

(C) ensure that any agent, including a subcontractor, to whom it provides this information agrees to implement reasonable and appropriate security measures to protect the information; and

(D) report to the Plan any security incident of which it becomes aware.

(6) Amendment. Notwithstanding any other provision of the Plan, this Section may be amended in any way and at any time by the Privacy Officer.

(7) Effective Dates. Subsections (1) – (4) and Subsection (6) apply to the Plan no later than April 14, 2003, or such other date that the HIPAA Privacy Regulations apply to the Plan. Section (5) applies to the Plan no later than April 20, 2005, or such other date that the HIPAA Security Regulations apply to the Plan.

Section 7.04 MEDICAL CHILD SUPPORT ORDERS

In the event the Plan Administrator receives a medical child support order (within the meaning of ERISA section 609(a)(2)(B)), the Plan Administrator shall notify the affected Participant and any alternate recipient identified in the order of the receipt of the order and the Plan's procedures for determining whether such an order is a qualified medical child support order (within the meaning of ERISA section 609(a)(2)(A)). Within a reasonable period the Plan Administrator shall determine whether the order is a qualified medical child support order and shall notify the Participant and alternate recipient of such determination.

If the plan is not subject to ERISA any applicable law related to qualified medical child support orders or National Medical Support Notices shall apply and the Plan Administrator shall follow any required procedures under such law.

Section 7.05 HIPAA PORTABILITY RULES

In the event the Plan constitutes a group health plan as defined in Treas. Reg. section 54.9801-2 or if the Plan Administrator determines that the Plan is subject to HIPAA portability rules, the Plan shall comply with the requirements of Code section 9801 et. Seq. including the requirement to cover children until the attainment of age 26 if the Plan makes dependent coverage of children available. The Plan Administrator shall only provide a certificate of creditable coverage if the Plan constitutes a group health plan as defined in Treas. Reg. section 54.9801-2.

ARTICLE 8
AMENDMENT AND TERMINATION

Section 8.01 AMENDMENT

The provisions of the Plan may be amended in writing at any time and from time to time by the Plan Sponsor.

Section 8.02 TERMINATION

(a) It is the intention of the Plan Sponsor that this Plan will be permanent. However, the Plan Sponsor reserves the right to terminate the Plan at any time for any reason.

(b) Each entity constituting the Company reserves the right to terminate its participation in this Plan. Each such entity constituting the Company shall be deemed to terminate its participation in the Plan if: (i) it is a party to a merger in which it is not the surviving entity and the surviving entity is not an affiliate of another entity constituting the Company, or (ii) it sells all or substantially all of its assets to an entity that is not an affiliate of another entity constituting the Company.

ARTICLE 9
MISCELLANEOUS

Section 9.01 NONALIENATION OF BENEFITS

No Participant or Beneficiary shall have the right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which he may expect to receive, contingently or otherwise, under the Plan.

Section 9.02 NO RIGHT TO EMPLOYMENT

Nothing contained in this Plan shall be construed as a contract of employment between the Company and the Participant, or as a right of any Employee to continue in the employment of the Company, or as a limitation of the right of the Company to discharge any of its Employees, with or without cause.

Section 9.03 NO FUNDING REQUIRED

Except as otherwise required by law:

(a) Any amount contributed by a Participant and/or the Company to provide benefits hereunder shall remain part of the general assets of the Company and all payments of benefits under the Plan shall be made solely out of the general assets of the Company.

(b) The Company shall have no obligation to set aside any funds, establish a trust, or segregate any amounts for the purpose of making any benefit payments under this Plan. However, the Company may in its sole discretion, set aside funds, establish a trust, or segregate amounts for the purpose of making any benefit payments under this Plan.

(c) No person shall have any rights to, or interest in, any Account other than as expressly authorized in the Plan.

Section 9.04 GOVERNING LAW

(a) The Plan shall be construed in accordance with and governed by the laws of the state or commonwealth of organization of the Plan Sponsor to the extent not preempted by Federal law.

(b) The Plan hereby incorporates by reference any provisions required by state law to the extent not preempted by Federal law.

Section 9.05 TAX EFFECT

The Company does not represent or guarantee that any particular federal, state or local income, payroll, personal property or other tax consequence will result from participation in this Plan. A Participant should consult with professional tax advisors to determine the tax consequences of his or her participation.

Section 9.06 SEVERABILITY OF PROVISIONS

If any provision of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provisions had not been included.

Section 9.07 HEADINGS AND CAPTIONS

The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

Section 9.08 GENDER AND NUMBER

Except where otherwise clearly indicated by context, the masculine and the neuter shall include the feminine and the neuter, the singular shall include the plural, and vice-versa.

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**POST-RETIREMENT BENEFIT PLAN
FOR ELIGIBLE EMPLOYEES OF
LANSING BOARD OF WATER AND LIGHT**

Updated 3/22/2016

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**POST-RETIREMENT BENEFIT PLAN
FOR ELIGIBLE EMPLOYEES OF
LANSING BOARD OF WATER AND LIGHT**

Lansing Board of Water and Light (the "Employer") established the Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light effective July 1, 1999. This Retiree Benefit Plan was restated effective March 27, 2007, for the benefit of eligible employees and former employees of the Employer. This Retiree Benefit Plan has been amended from time to time, and the Lansing Board of Water and Light desires to amend and restate this Retiree Benefit Plan. It is intended that this Plan meet the requirements of Code Sections 79, 105 and 106 so that the Employer's contributions on behalf of participating employees and former employees will be excluded from gross income for federal income tax purposes and so that noncash benefits paid under the Plan will be excluded from gross income. Effective as of March 22, 2016, this Retiree Benefit Plan is hereby amended and restated as follows:

1. Definitions.

a. **"Benefit Commencement Date"** means the first day of the calendar month on or after the Original Effective Date which follows any of (1), (2), (3) or (4) below:

- (1) the date on which the Employee reaches his or her Normal Retirement Date;
- (2) the date on which the Employee reaches his or her Early Retirement Date;
- (3) the date on which the Employee reaches his or her Disability Retirement Date;

or

- (4) the date of the Employee's death.

b. **"Benefit Service Credit"** means:

- (1) An Employee will receive Benefit Service Credit for any period during which the Employee performs the duties of his or her position for the Employer.

(2) An Employee will receive Benefit Service Credit for any period of Disability for which the employee receives any sick leave or paid time off payments, or for which he or she is on an approved workers' compensation leave of absence.

(3) This subsection (3) applies to any individual who takes a leave of absence from active employment with the Employer for the purpose of completing service in the Uniformed Services of the United States of America. It only applies to an individual who (i) meets the requirements described below for providing advance notice of the impending leave; (ii) is on said leave for not more than five (5) years; (iii) is discharged or terminates his or her Uniformed Service under honorable conditions; (iv) reapplies for reemployment with the Employer within the time frame described below; and (v) is reemployed by the Employer. Any individual who meets these requirements will receive Benefit Service Credit for his or her period of Uniformed Service in accordance with this Plan and relevant law.

(a) Uniformed Services. The Uniformed Services include the U.S. Armed Services (including the Coast Guard), the Army National Guard and the Air National Guard (when engaged in active duty for training, inactive duty training, or full-time National Guard duty), and the commissioned corps of the Public Health Service. Other categories of covered service may be added by the President in limited circumstances.

(b) Advance Notice of Impending Leave. The Employer must receive written or verbal advance notice of the impending Uniformed Service from the employee or the appropriate officer of the Uniformed Service in which the service is to occur. This notice requirement is waived where required by applicable law.

(c) Re-Employment. A Retiree who would otherwise be eligible to participate in this Plan (along with his or her Spouse, and Dependent(s), where applicable) who is re-

employed as an active employee with the Employer will not be eligible to receive covered benefits under this Plan during such active service. A rehired individual (and his or her Spouse and/or Dependent(s)) may qualify for coverage under the health plan sponsored by the Employer for active employees if he, she and/or they qualify for such coverage.

(i) Uniformed Service of less than 31 days. Notice must be given of the individual's readiness to return to work not later than the beginning of the first full regular scheduled work period of service that starts at least eight hours after the person has been safely transported home from the place of Uniformed Service, or as soon as possible after the eight hour period if reporting by that time is impossible or unreasonable through no fault of the individual.

(ii) Uniformed Service of more than 31 days but less than 181 days. Any individual in this category must submit an application for reemployment or present himself or herself for work not later than 14 days after completing their Uniformed Service or, if meeting this deadline is impossible or unreasonable through no fault of the individual, then on the next calendar day when submission becomes possible.

(iii) Uniformed Service of more than 180 days. The individual must submit the application for reemployment or present himself or herself for work not later than 90 days after completion of the Uniformed Service.

The foregoing provisions shall be interpreted in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and Code Section 414(u), and any amendments thereto.

(4) An Employee who is hired prior to January 1, 1997, will receive Benefit Service Credit for any period of active military duty prior to employment for which the Employee is not otherwise entitled to such credit under subsection (3) above, but only to the extent of 50% of the

period of active military duty. A "period of active duty" for this purpose means active duty with any of the armed forces of the United States, under honorable conditions. Periods of active duty of less than thirty (30) days and periods of active duty for training regardless of length are not "periods of active duty" for this purpose. With proper documentation, one-half (50%) of such service is Benefit Service Credit up to a maximum of two (2) years. This provision shall be applied in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and Internal Revenue Code Section 414(u).

(5) An Employee hired prior to July 1, 1997 will receive Benefit Service Credit for any period during which the Employee works full-time for any department of the City of Lansing.

(6) When determining an Employee's Benefit Service Credit, lost time due to leave of absence, sickness or accident is not included in the determination of whether a break in service has occurred. However, Benefit Service Credit will not accrue for any leave of absence (whether or not approved), subject to Employer leave of absence policy. Benefit Service Credit also does not accrue for unpaid absences of any kind over 80 hours per year. If an Employee terminates employment during a leave of absence, or other absence due to sickness or accident, the applicable provisions of this Plan will apply to such termination.

(7) In addition to the foregoing, an Employee will have previously earned Benefit Service Credit reinstated as described below.

(a) If the individual was an Employee of the Employer on June 30, 1987 and lost Benefit Service Credit prior to June 30, 1987 as a result of a prior termination of employment, the Benefit Service Credit that was lost under those circumstances will be reinstated as of July 1, 1987;

(b) Under certain circumstances, an Employee who received a lump sum distribution from the Pension Plan on termination of employment may be entitled to repay that lump sum to the Pension Plan on reemployment. If the Employee is eligible to make such a repayment and elects to repay the lump sum on reemployment, the Employee will have his or her prior Benefit Service Credit reinstated.

(c) All years of Benefit Service Credit earned prior to employment termination with the Employer will be reinstated upon reparticipation in this Plan if the individual is reemployed by the Employer within 365 days following said termination of employment; and

(d) In the case of an individual who is reemployed by the Employer more than 365 days after employment termination with the Employer, all years of Benefit Service Credit which he or she had earned prior to said employment termination will be reinstated upon reparticipation in this Plan if:

(i) the individual had at least three (3) years of Benefit Service Credit on said employment termination; or

(ii) the Break in Service was shorter than the individual's years of Benefit Service Credit which accumulated prior to the Break in Service.

c. **"Break in Service"** means the Employee terminated employment with the Employer on or after the Original Effective Date and is subsequently reemployed by the Employer.

d. **"Code" or "Internal Revenue Code"** means the Internal Revenue Code of 1986, as amended from time to time.

e. **"Dependent"** means any individual who satisfies the definition of "dependent" under the Employer's group health plan and who is:

(1) a dependent as defined in Code Section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof; and

(2) any child to whom Code Section 152(e) applies (regarding, for example, a child of divorced parents, where one or both parents have custody of the child for more than half of the calendar year and where the parents together provide more than half of the child's support for the calendar year) is treated as a dependent of both parents.

f. **"Disability"** means a physical or mental impairment resulting from a bodily injury, disease or mental disorder which substantially limits an Employee's ability to perform the essential functions of a job. This limitation must be certified by a physician or vocational expert of the Employer's choice.

g. **"Disability Retirement Date"** means the date the Employee is determined to be Disabled, provided the Employee has completed at least ten (10) Years of Service as of the Disability determination date.

h. **"Early Retirement Date"** means the Employee's Normal Retirement Date as defined in subsection l. of this Section 1, below, but modified as follows:

(1) The date that is ten (10) consecutive years immediately preceding his or her Normal Retirement Date, provided the Employee has completed at least twenty-five (25) Years of Benefit Service Credit as of the date of his or her Separation From Service; or

(2) The date that is five (5) consecutive years immediately preceding his or her Normal Retirement Date, provided the Employee has completed at least fifteen (15) Years of Benefit Service Credit as of the date of his or her Separation From Service.

i. **"Effective Date"** means _____, 2016, the effective date of this restated Plan.

j. **"Employee"** means an individual who is classified by the Employer as a regular full-time employee.

k. **"Employer"** means the Lansing Board of Water and Light.

l. **"Normal Retirement Date"** means the later of the date on which the individual has incurred a Separation From Service and all of the following of subsection (1) or (2) below are true as to the individual:

(1) the individual was most recently hired by the Employer after June 30, 1990 and has attained age sixty-five (65) and completed at least ten (10) years of Benefit Service Credit.

(2) the individual was most recently hired by the Employer before July 1, 1990, and has satisfied the earliest of the following:

(a) has attained age sixty (60) and completed at least ten (10) Years of Benefit Service Credit;

(b) has attained age fifty-five (55) and completed at least thirty (30) years of Benefit Service Credit, or

(c) in the case of any individual who has incurred a Separation From Service after attaining age forty-five (45) and completing at least twenty-five (25) years of Benefit Service Credit, on or after the date on which the individual has attained age fifty-five (55) and would have completed at least thirty (30) years of Benefit Service Credit if he or she had remained continuously employed by the Employer as a regular full-time employee after his or her most recent Separation From Service with the Employer.

m. **Original Effective Date** means July 1, 1999.

n. **"Participant"** means an individual, including a Retiree, a Retiree's Spouse, and/or Dependents, all as applicable, who qualifies and is eligible for benefits under this Plan, at the time of eligibility and qualification for benefits, pursuant to the remaining provisions of this Plan.

o. **"Pension Plan"** means the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions.

p. **"Plan"** or **"Retiree Benefit Plan"** means this Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.

q. **"Plan Administrator"** means the Lansing Board of Water and Light.

r. **"Plan Year"** means the consecutive 12-month period beginning on July 1 and ending on June 30.

s. **"Retiree"** means a former Employee of the Employer who has reached his or her Normal Retirement Date or Early Retirement Date or is determined to be Disabled, and who is not an active employee. A Retiree may lose his or her "Retiree" status upon rehire, and may re-gain that "Retiree" status upon a subsequent separation from service with the Employer.

t. **"Separation From Service"** means Employee's complete severance of employment with the Employer, whether on account of the Employee's death, Disability or termination of employment and whether voluntary or involuntary.

u. **"Service"** means:

(1) Service includes any period an Employee performs the duties of his or her position for the Employer and any period of Disability for which an employee receives any pay from the Employer or is on an approved workers' compensation leave of absence.

(2) This subsection (2) applies to any individual who takes a leave of absence from active employment with the Employer for the purpose of completing service in the Uniformed

Services of the United States of America. It only applies to an individual who (i) meets the requirements described below for providing advance notice of the impending leave; (ii) is on said leave for not more than five (5) years; (iii) is discharged or terminates his or her Uniformed Service under honorable conditions; (iv) reapplies for reemployment with the Employer within the time frame described below; and (v) is reemployed by the Employer. (In the case of any individual who meets these requirements, Service includes his or her period of Uniformed Service in accordance with this Plan and relevant law.)

(a) Uniformed Services. The Uniformed Services include the U.S. Armed Services (including the Coast Guard), the Army National Guard and the Air National Guard (when engaged in active duty for training, inactive duty training, or full-time National Guard duty), and the commissioned corps of the Public Health Service. Other categories of covered service may be added by the President in limited circumstances.

(b) Advance Notice of Impending Leave. The Employer must receive written or verbal advance notice of the impending Uniformed Service from the individual or the appropriate officer of the Uniformed Service in which the service is to occur. This notice requirement is waived where required by applicable law.

(c) Applying for Reemployment. In general, the individual must report back to the Employer for work or apply for reemployment in a manner consistent with this subsection (c).

(i) Uniformed Service of less than 31 days. Notice must be given of the individual's readiness to return to work not later than the beginning of the first full regular scheduled work period of service that starts at least eight hours after the person has been safely

transported home from the place of Uniformed Service, or as soon as possible after the eight hour period if reporting by that time is impossible or unreasonable through no fault of the individual.

(ii) Uniformed Service of more than 31 days but less than 181 days. Any individual in this category must submit an application for reemployment or present himself or herself for work not later than 14 days after completing his or her Uniformed Service or, if meeting this deadline is impossible or unreasonable through no fault of the individual, then on the next calendar day when submission becomes possible.

(iii) Uniformed Service of more than 180 days. The individual must submit the application for reemployment or present himself or herself for work not later than 90 days after completion of the Uniformed Service.

The foregoing provisions shall be interpreted in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) and Code Section 414(u), and any amendments thereto.

v. **"Spouse"** means the person who is legally married to the Retiree pursuant to a valid state law marriage license; provided, however, the term "spouse" shall not include a person legally separated from the Retiree or Employee under a divorce or separate maintenance decree. The following rules shall apply to Spouses under this Plan:

(1) An individual must be the Retiree's Spouse at the time benefits are provided by this Plan.

(2) An individual becoming a Retiree's Spouse prior to the Retiree's retirement will be eligible for coverage under this Plan after the Retiree's death.

(3) An individual becoming a Retiree's Spouse after the Retiree's retirement will be eligible for coverage under this Plan (along with any applicable Dependents that otherwise qualify for coverage) but such coverage will terminate after the Retiree's death.

w. **"Trust Agreement"** means the Lansing Board of Water and Light Retiree Benefit Plan and Trust Agreement.

x. **"Trust"** means the trust created by the Lansing Board of Water and Light pursuant to the terms of the Trust Agreement. The Trust shall be operated so as to be exempt from tax under Internal Revenue Code Section 501(c)(9).

y. **"Union Employee"** means the terms of the individual's employment are governed by a collective bargaining agreement between the Employer and union representatives.

z. **"Years of Service"** means the Service calculated and based on each 12-month anniversary of the Employee's most recent date of hire by the Employer. Any Employee who performs Service for the Employer as a full-time regular employee (as defined in the Employer's personnel policies) throughout any such consecutive 12-month period is credited with one Year of Service. Any Employee who performs Service for the Employer as a full-time regular employee (as determined under the Employer's personnel policies) for only a portion of any such consecutive 12-month period will be credited with a ratable portion of one Year of Service calculated in accordance with administrative procedures adopted and uniformly applied by the Plan. Years of Service are earned for all periods of employment with the Employer in accordance with administrative procedures adopted and uniformly applied by the Plan.

2. **Eligibility to Participate.** Each individual who is a Participant in the Plan on the Effective Date of this restated Plan shall continue to participate in the restated Plan as long as he or she continues to meet the eligibility requirements. Any other individual who becomes eligible for

benefits pursuant to Section 3 of this Plan shall become a Participant as provided in Section 3. No other individual is eligible to participate in the Plan. Participation by Spouses and Dependents is derivative and depends on the coverages and rights of the applicable Retiree.

Subject to the applicable law, participation in the Plan shall terminate on the first to occur of:

(1) the date that a Participant resumes or begins active employment with the Employer (in which case participation in this Plan will terminate for that person resuming or beginning employment and for any Spouse or Dependent whose coverage would otherwise be derivative through that person);

(2) the date on which the individual is no longer eligible to participate in the Plan in accordance with the provisions of this Plan; and

(3) the date on which the Plan is terminated.

3. Eligibility for Benefits. Each Retiree (and as applicable, the Retiree's Spouse and Dependents) shall be eligible to receive the benefits described in this Section 3 beginning on and after the Retiree's Benefit Commencement Date.

a. Health Coverage. The health coverage provided under this Plan shall, in the discretion of the Employer, be substantially the same coverage (based on the cost per Retiree to the Employer for providing said health coverage) made available to active Employees.

(1) Coverage. Each Participant shall receive health coverage under the terms of the plan attached as Exhibit A. The Participant shall be responsible for applicable deductibles, and co-pays, but shall not participate in premium sharing.

(2) Waiving Coverage. Any eligible Participant that produces written proof of alternative health and prescription drug coverage may elect to receive cash in lieu of participating in the employer sponsored health and prescription drug coverage. Such individuals shall be paid a monthly

amount to be determined by the employer. Eligible individuals may waive health and prescription drug coverage separately; however, individuals are eligible to receive cash provided they waive both health and prescription drug coverage. Only Retirees are eligible for the cash in lieu benefit and no Spouses, Dependents or other beneficiaries shall be entitled to a cash-in-lieu benefit.

Notwithstanding the foregoing, on the day following the date the Retiree loses alternative health coverage or otherwise becomes ineligible to participate in the Cash or HPD Cafeteria Plan, the Retiree (and if applicable, the Retiree's Spouse and Dependents) shall resume participation in the health and prescription drug coverage described in this subsection a. and subsection b. below, provided the Retiree is otherwise eligible for said coverage under this Retiree Benefit Plan.

(3) Duplicate Coverage. If a re-hired Retiree has a subsequent separation from service, health coverage offered under this Retiree Benefit Plan shall commence (or if applicable, recommence) on the day following the date he or she is no longer eligible as a primary participant under the Employer-sponsored health plan for active employees.

(4) Each Retiree and his or her Spouse (or surviving Spouse as the case may be) must sign up for Medicare Parts A, B and, pursuant to the Employer's administrative policy, Part D at the earlier of attainment of age sixty-five (65) or the earliest date the individual becomes eligible for Medicare Parts A, B and, if applicable, Part D to remain eligible for health and prescription drug coverage under this Plan. As soon as administratively possible following the date the Employer receives documentation evidencing that the Retiree or Spouse or both, or the surviving Spouse (as the case may be) have enrolled in Medicare Parts A, B and, if applicable, Part D, the Employer shall substitute health and prescription drug coverage for the Retiree or Spouse or both, or the surviving

Spouse (as the case may be) under a complementary health and prescription drug program that supplements Medicare. Such complementary coverage shall not be available if the Retiree (i) is not eligible for health coverage under this Plan or (ii) has waived health and prescription drug coverage as described in Section 3.a.(2) above and elected a cash benefit under the Cash or HPD Cafeteria Plan.

The Employer shall also make reimbursement to the Retiree and/or the Retiree's Spouse or, if applicable, to the surviving Spouse toward the cost of Medicare Part B coverage. Such reimbursement shall equal 90% of the cost of the applicable Medicare coverage.

b. Prescription Drug Coverage. The prescription drug coverage provided under this Plan shall, in the discretion of the Employer, be substantially the same coverage (based on the cost per Retiree to the Employer for providing said prescription drug coverage) made available to active Employees.

(1) Coverage. Each Participant shall receive prescription drug coverage under the prescription drug plan attached hereto as Exhibit B. The Participant shall be responsible for applicable deductibles, and co-pays, but shall not participate in premium sharing.

(2) Duplicate Coverage. If a re-hired Retiree has a subsequent separation from service, health coverage offered under this Retiree Benefit Plan shall commence (or if applicable, recommence) on the day following the date he or she is no longer eligible as a primary participant under the Employer-sponsored health plan for active employees.

This Plan may provide for a separate prescription drug benefit for individuals that qualify for such benefits under this Plan as Medicare-eligible from the benefit for those individuals that qualify for such benefits under this Plan that are not Medicare-eligible.

c. Dental Coverage.

(1) Coverage. Each Participant shall receive dental coverage under the Employer's dental plan, a copy of which is attached hereto. The Participant shall be responsible for applicable deductibles, and co-pays, but shall not participate in premium sharing.

(2) Duplicate Coverage. No Participant shall receive any dental coverage benefit under this Plan during any time when the Participant's Spouse is eligible as a primary participant under the Employer sponsored dental plan for active employees. Dental benefits offered under the Retiree Benefit plan shall commence (or if applicable, recommence) on the day following the date the Spouse is no longer eligible as a primary participant under the Employer sponsored dental Plan for active employees.

d. Life Insurance.

Each Retiree shall receive coverage under the Retiree Group Term Life Insurance Plan, a copy of which is available upon request, as follows:

(1) Any Employee who was participating in life insurance coverage provided by the Employer with a coverage amount equal to one and one-half ($1\frac{1}{2}$) times his or her salary, rounded up to the next highest \$1,000 increment, immediately prior to retirement, may continue such coverage following retirement at one-third ($\frac{1}{3}$) of that pre-retirement amount rounded to the next higher \$500 increment.

(2) No Retiree Group Term Life Insurance Plan coverage shall be extended to any Retiree who elected to be covered at the \$10,000 level of coverage under the Group Life Insurance Plan provided by the Employer on the day before his or her Separation From Service from active employment.

(3) No Spouse or Dependent of any Retiree shall receive coverage under the Retiree Group Term Life Insurance Plan, and each Retiree who is a former Union Employee and who

receives coverage under this Section 3.d. shall pay fifty percent (50%) of the premium cost for that life insurance coverage under the Retiree Group Term Life Insurance Plan and shall continue to receive benefits for as long as the Retiree continues to pay the applicable premiums.

4. Funding Benefits Benefits provided pursuant to this Retiree Benefit Plan may, in the Employer's discretion, be funded through any or all of the Trust Agreement, the Pension Plan and the general assets of the Employer; provided, however, with regard to any Plan Year in which a qualified transfer is made under Code Section 420 to a Code Section 401(h) account under the Pension Plan, health benefits shall be paid from said Pension Plan before any payments for health coverage are made by the Trust.

5. Disability Benefits Any Employee who has been credited with at least ten (10) Years of Service under the Plan and is determined to be Disabled shall be eligible for the benefits described in Section 3 above beginning on and after the Employee's Benefit Commencement Date.

6. Death Benefits In general, no death benefit shall be paid from the Plan for any person based on the Employee's participation in the Plan. However, following the death of a Retiree or an Employee who has completed at least ten (10) Years of Service with the Employer as of the date of death, the Retiree's, or if applicable, the Employee's surviving Spouse and Dependents shall be eligible for health, prescription drug and dental coverage as described in Section 3 above; provided, however, the surviving Spouse will be eligible for said benefits only if he or she was married to the Retiree on the date of the Retiree's retirement. If eligible for this coverage, this coverage shall commence on the Retiree's, or if applicable, the Employee's Benefit Commencement Date and shall continue for the life of the surviving Spouse and, in the case of the Dependent, for as long as the individual remains an eligible Dependent under the Plan.

7. **Vesting** No benefit provided under this Plan is wholly or partially vested under any circumstance, either before or after commencement of any benefit payable under the Retiree Benefit Plan or before or after any termination of the Plan. Subject to the requirements of any collective bargaining agreement, the Employer reserves the right, in its sole discretion, to reduce or eliminate any or all Plan benefits at any time as to any or all Plan Participants, Retirees and/or their eligible Spouses, surviving Spouses and/or Dependents.

8. **Claims**. Claims for benefits under the Plan must be made to the Plan Administrator in writing by the claimant or the claimant's authorized representative on forms supplied by the Plan Administrator (or other designated claims representative). Claims must be submitted to the Plan Administrator in the manner described in the Plan's Summary Plan Description. Benefits under the Plan will be paid only if the Plan Administrator in its sole discretion determines that the claimant is entitled to them. The Plan Administrator has sole and exclusive discretionary authority to construe and interpret the provisions of the Plan, make factual determinations and will decide all questions of eligibility and the amount, manner and time of any benefit payment as described in the Plan.

9. **HIPAA Privacy Compliance**. This Section 9 is added to comply with the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"), and its corresponding regulations related to the privacy of protected health information as applied to the health, dental and prescription drug benefits offered under the Plan and the related security requirements.

a. **Definitions**.

(1) **Health Care Operations** include activities undertaken by the Plan related to treatment and payment including, but not limited to, the following activities: quality assessment, activities relating to improving health or reducing health care costs, case management and care coordination, contacting health care providers, and resolution of internal grievances.

(2) Payment includes activities undertaken by the Plan to fulfill its responsibility for coverage and provision of Plan benefits that relate to a Participant to whom health care is provided.

(3) Plan Administration means administration functions performed by the Plan Sponsor on behalf of the Plan, such as quality assurance, claims processing, auditing and monitoring. Plan Administration does not include functions performed by the Plan Sponsor in connection with any other benefit or benefit plan of the Plan Sponsor, and it does not include any employment-related functions.

(4) Plan Sponsor means the Lansing Board of Water and Light.

(5) Protected Health Information (“PHI”) means information that is created or received by the Plan and relates to the past, present, or future physical or mental health or condition of a Participant; the provision of health care to a Participant; or the past, present, or future payment for the provision of health care to a Participant; and that identifies the Participant, or there is a reasonable basis to believe the information can be used to identify the Participant. PHI includes information of Participants either living or deceased.

b. Disclosure of PHI for Plan Administration Purposes. Unless otherwise permitted or required by law, and subject to the conditions of disclosure in paragraph c., below, the Plan may disclose PHI to the Plan Sponsor provided that the Plan Sponsor uses or discloses such PHI only for Plan Administration purposes.

c. Disclosure to Plan Sponsor. The Plan may disclose PHI to the Plan Sponsor only upon certification by the Plan Sponsor that the Plan documents have been amended to incorporate the provisions of 45 CFR § 164.504(f)(2)(ii), and only after the Plan Sponsor has agreed to:

(1) not use or further disclose PHI other than as permitted or required by the Plan or as required by law;

(2) ensure that any agents, including a subcontractor, to whom the Plan Sponsor provides PHI received from the Plan agree to the same restrictions and conditions that apply to the Plan Sponsor with respect to such PHI and agree to implement reasonable and appropriate security measures to protect the information;

(3) not use or disclose PHI for employment-related actions and decisions unless authorized by a Participant;

(4) not use or disclose PHI in connection with any other benefit or employee benefit plan of the Plan Sponsor unless authorized by a Participant;

(5) report to the Plan any use or disclosure of PHI that is inconsistent with the uses or disclosures provided for of which the Plan Sponsor becomes aware and any security incident of which it becomes aware;

(6) make PHI available to an individual in accordance with HIPAA's access requirements;

(7) make PHI available for amendment and incorporate any amendments to PHI in accordance with HIPAA;

(8) make available the information required to provide an accounting of disclosures in accordance with HIPAA;

(9) make internal practices, books and records relating to the use and disclosure of PHI received from Plan available to the Secretary of the Department of Health and Human Services for the purposes of determining the Plan's compliance with HIPAA;

(10) if feasible, return or destroy all PHI received from the Plan that the Plan Sponsor still maintains in any form, and retain no copies of such PHI when no longer needed for the purpose for which disclosure was made (or if return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction infeasible);

(11) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that the Plan Sponsor creates, receives, maintains, or transmits on behalf of the group health plan; and

(12) Ensure that the adequate separation required by the provisions of 45 CFR §164.504(f)(2)(iii) is supported by reasonable and appropriate security measures.

d. Adequate Separation Between the Plan and the Plan Sponsor. To ensure adequate separation between the Plan and the Plan Sponsor, the Plan Sponsor shall allow only the following individuals access to PHI:

- (1) HIPAA Compliance Officer; and
- (2) staff designated by the HIPAA Compliance Officer.

No other individuals shall have access to PHI. These specified employees (or classes of employees) shall only have access to and use PHI to the extent necessary to perform the Plan Administration functions that the Plan Sponsor performs for the Plan.

e. Noncompliance Issues. If the employees described in paragraph (d), above, do not comply with the provisions of this HIPAA Privacy Compliance Section of the Plan, those employees shall be subject to disciplinary action by the Plan Sponsor for non-compliance pursuant to the Plan Sponsor's employee discipline and termination procedures.

10. Payment of Administrative Expenses. All reasonable Plan and Trust administration expenses including, but not limited to, administrative fees and expenses owing to any third party administrative service provider, consultant, accountant, attorney, specialist, or other person or organization that may be employed by the Plan Administrator in connection with the administration of the Plan and Trust, shall be paid by the Trustees from the Trust assets.

11. Right of Reimbursement The Retiree, Spouse (including a surviving Spouse) and/or Dependents (as applicable) must reimburse the Plan for overpayments by the Plan or payments made by the Plan that are also covered by another group health plan, a government program that is not secondary to the Plan under state or federal law, or a statutory plan such as workers compensation.

If the Plan pays benefits to the Retiree, Spouse or Dependents for covered Plan services, the Plan will have an equitable lien on the amounts it has paid and the Retiree, or any person or organization that received payment for services to the Retiree, Spouse or Dependent, must reimburse the Plan for those benefits. Such lien will apply and reimbursement will be required where any of these conditions exist:

- The Retiree did not pay for the services;
- The services did not legally have to be paid; or
- The Plan's payments exceeded the Plan's benefit limits;

In the case of (i) an overpayment by the Plan, or (ii) payment of benefits for which the Retiree did not pay, or (iii) payment of benefits for services for which the Retiree was not legally obligated to pay or (iv) payment of benefits in excess of the Plan's benefits limits, the amount of the Retiree's reimbursement obligation will be the amount the Plan paid less what the Plan should have paid.

If the refund is due from another person or entity (e.g., a hospital), the Retiree, Spouse and/or Dependents must assist the Plan in obtaining the refund.

If the Plan does not promptly receive the full refund due it, the Plan Administrator may, in the Administrator's discretion, withhold payment of future benefits until the refund has been made, or take other actions necessary to recover the refund.

12. Right of Subrogation and Equitable Lien If the Retiree, Spouse (including a surviving Spouse) or Dependent suffers an injury or illness caused by the negligence or wrongdoing of a third party, the Plan shall have the right of subrogation and shall have an equitable lien on the recovery for that injury or sickness. That means that the Plan may recover from the Retiree, Spouse or Dependents any recovery the Retiree, Spouse or Dependents may receive from that third party through judgment, settlement or otherwise (however it is characterized) and may recover that amount from the Retiree or dependents, up to the amount that the Plan pays the Retiree, Spouse or Dependents for covered services. The Plan's recovery from the Retiree, Spouse or Dependents will not be reduced to reflect any of the Retiree's, Spouse's or Dependent's litigation costs or attorney fees, unless separately agreed to, in writing, by the Plan Administrator in the exercise of its sole discretion.

Additionally, the Plan shall have an equitable lien on any recovery the Retiree or dependent may receive from any third party for any sickness or injury for which the Plan pays benefits. The equitable lien applies also to workers compensation payments where the Plan has paid otherwise eligible benefits prior to a determination that such benefits are due. Payment by a workers compensation carrier or the Employer will mean that such determination has been made.

The Plan's equitable lien will attach to the first right of recovery to any money or property that is obtained by anyone (including, but not limited to the Retiree, Retiree's beneficiary, legal counsel and/or a trust) as a result of an exercise of the Retiree's, Spouse's or Dependent's rights of recovery against any third party. The Plan will be entitled to seek any other equitable remedy against any

party possessing or controlling such funds or properties. At the sole discretion of the Plan Administrator, the Plan may reduce any future benefits for covered services otherwise available to the covered person under the Plan by an amount up to the total reimbursable amount that is subject to enforcement under the equitable lien.

13. No Employment Contract. This Plan shall not be deemed to constitute a contract between the Employer and any Employee or to be a consideration or an inducement for the employment of any Employee. Nothing contained in this Plan shall be deemed to give any Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Employee at any time regardless of the effect which such discharge shall have upon him or her as a participant in this Plan.

14. Exclusive Benefit. The rights of Employees and Retirees under the Plan are hereby acknowledged to be legally enforceable. Except as may be permitted under applicable law, the Plan is maintained for the exclusive benefit of Employees and Retirees.

15. Plan Amendment and Termination. Subject to the terms of any collective bargaining agreement, the Employer reserves the right, in its sole discretion, to make from time to time any amendment or amendments to this Plan by action of its governing Board. Subject to the requirements of any collective bargaining agreement, the Employer may, in its sole discretion, terminate the Plan at any time. Plan termination shall not cause nonvested benefits to become vested.

16. Successor Employer, Merger or Consolidation. In the event of the dissolution, merger, consolidation or reorganization of the Employer, provision may be made by which this Plan will be continued by the successor; and, in that event, such successor shall be substituted for the Employer under the Plan. The substitution of the successor shall constitute an assumption of all obligations

under the Plan by the successor, and the successor shall have all the powers, duties and responsibilities of the Employer under the Plan.

17. Application of State Law. Subject to applicable law, this Plan, as amended from time to time, shall be administered, construed and enforced according to the laws of the State of Michigan and in courts situated in that State.

18. Separate Plan. This Plan shall continue to be deemed a separate plan (including with this separate Plan document) from any health plan provided by the Employer to its active employees, notwithstanding that this Plan may track benefits from one or more other plans or arrangements sponsored by the Employer.

[signatures on next page]

LANSING BOARD OF WATER AND LIGHT

Date: _____

By: _____
Chair, Board of Commissioners

Date: _____

By: _____
Corporate Secretary

Proposed Resolution

RESTATED AND AMENDED DEFINED CONTRIBUTION PLAN **WITH INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION (ICMA) PLAN**

Resolved, that the Board of Commissioners hereby amends and restates the ICMA Retirement Corporation Governmental Money Plan & Trust and any associated amendments provided by the two Plan Adoption Agreements for the Lansing Board of Water & Light (BWL) 401a Defined Contributions for Plan # 106696 and Plan # 108824 respectively.

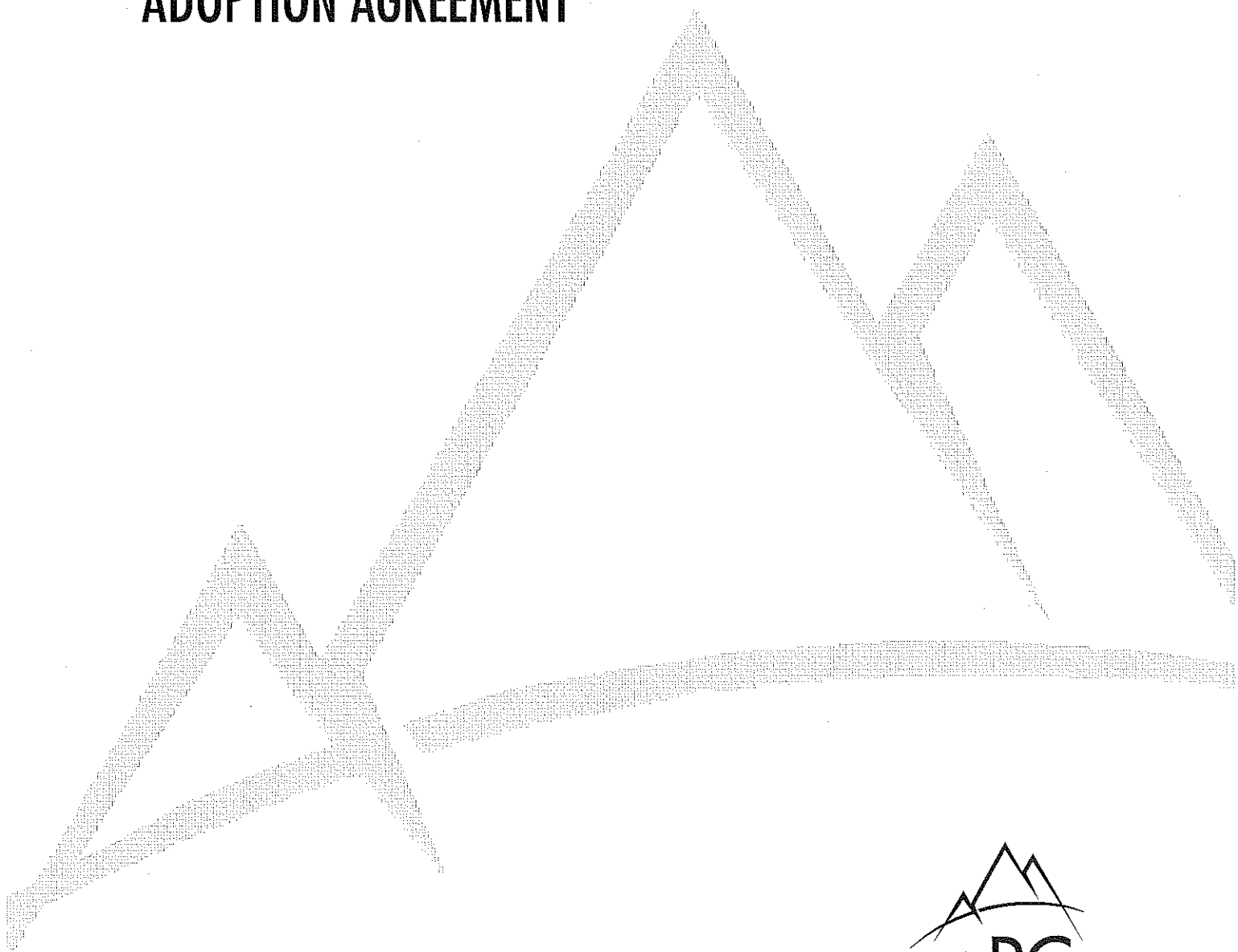
Further Resolved the Plan Adoption Agreements restate the same benefits as previously adopted, with a change to the Plans that for Active duty in the Military the BWL will continue plan contributions while on Active duty.

Further Resolved that the General Manager is removed from Plan # 108824.

Further Resolved, that the Chair is hereby authorized to execute the above referenced documents on behalf of the Board of Commissioners.

ICMA RETIREMENT CORPORATION

**GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

Plan Number 108824

The Employer hereby establishes a Money Purchase Plan and Trust to be known as BOARD OF WATER AND LIGHT
(the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

Yes No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

BOARD OF WATER AND LIGHT

I. Employer: BOARD OF WATER AND LIGHT

II. Effective Dates

1. **Effective Date of Restatement.** If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: _____

(Note: An alternate effective date can be no earlier than January 1, 2007.)

2. **Effective Date of New Plan.** If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

3. **Special Effective Dates.** Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)

The twelve (12) consecutive month period commencing on 01/01 and each anniversary thereof.

IV. Normal Retirement Age shall be age 55.0 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- All Employees
- All Full Time Employees
- Salaried Employees
- Non union Employees
- Management Employees
- Public Safety Employees
- General Employees
- Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) Internal Auditor and Corporate Secretary

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A.

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

- A. Employer Contributions. The Employer shall contribute on behalf of each Participant 8 % of Earnings or \$ _____ for the Plan Year (subject to the limitations of Article V of the Plan).
Mandatory Participant Contributions

are required are not required

to be eligible for this Employer Contribution.

- B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

Yes No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

Yes No

Contribution Schedule.

- (i) _____% of Earnings,
(ii) \$ _____, or
(iii) a whole percentage of Earnings between the range of _____ (*insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)*), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

- C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of _____ days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

- A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant _____% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed _____% of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

- B. Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

_____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding _____% of Earnings or \$ _____);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____% of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ _____ or _____% of Earnings, whichever is _____ more or _____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

N/A

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

- A. Plan contributions will be made based on differential wage payments:

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

- B. Participants who die or become disabled will receive Plan contributions with respect to such service:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
 Yes No
2. Bonuses
 Yes No
3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:
 Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)
2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.
 Effective Date is _____
(Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.
 Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)
2. The Limitation Year is the following 12 consecutive month period: _____
3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. _____
(The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.)

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	100 %
One	100 %
Two	100 %
Three	100 %
Four	100 %
Five	100 %
Six	100 %
Seven	100 %
Eight	100 %
Nine	100 %
Ten	100 %

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

- Normal Retirement Age
- Age 70½ (*"70½" is the default provision under the Plan if no selection is made.*)
- Alternate age (after Normal Retirement Age): _____
- Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.

- Yes
- No (*"Yes" is the default provision under the plan if no selection is made.*)

3. Tax-free distributions of up to \$3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.

- Yes
- No (*"No" is the default provision under the Plan if no selection is made.*)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.

- Yes
- No (*"No" is the default provision under the Plan if no selection is made.*)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

- Yes
- No (*"No" is the default provision under the Plan if no selection is made.*)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (*"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.*)
- 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

- All Eligible Employees
- Other: _____

Final Pay shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (*insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave*):

- 1. **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
- 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert fixed percentage of final pay to be contributed) or up to _____ % (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

- All Eligible Employees
- Other: _____

Accrued Leave shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).

For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20_____.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

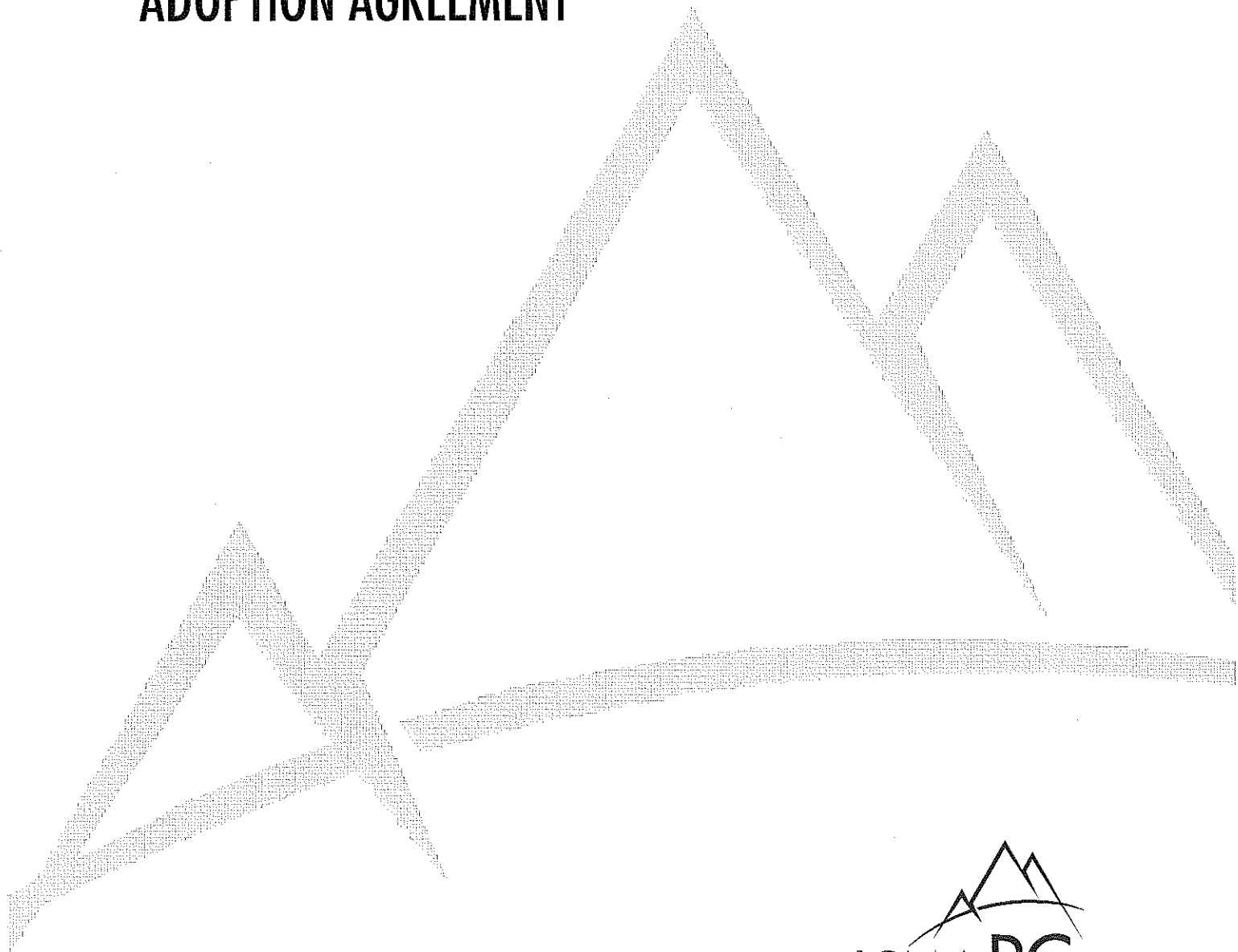
Title: _____

Attest: _____

Attest: _____

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT**

Plan Number 106696

The Employer hereby establishes a Money Purchase Plan and Trust to be known as LANSING BOARD OF WATER & LIGHT (the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

Yes No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

LANSING BOARD OF WATER & LIGHT

I. Employer: LANSING BOARD OF WATER & LIGHT

II. Effective Dates

1. **Effective Date of Restatement.** If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: _____

(Note: An alternate effective date can be no earlier than January 1, 2007.)

2. **Effective Date of New Plan.** If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

3. **Special Effective Dates.** Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)

The twelve (12) consecutive month period commencing on 01/01 and each anniversary thereof.

IV. Normal Retirement Age shall be age 55.0 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good

Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- All Employees
- All Full Time Employees
- Salaried Employees
- Non union Employees
- Management Employees
- Public Safety Employees
- General Employees
- Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) _____

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) See Addendum 1.

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

A. Employer Contributions. The Employer shall contribute on behalf of each Participant N/A % of Earnings or \$ Addendum 1 for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions

are required are not required

to be eligible for this Employer Contribution.

B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

Yes No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

Yes No

Contribution Schedule.

- (i) _____% of Earnings,
(ii) \$ _____, or
(iii) a whole percentage of Earnings between the range of _____ (*insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)*), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

- C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of _____ days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

- A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant _____% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed _____% of Earnings or \$ _____. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

- B. Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

_____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding _____% of Earnings or \$ _____);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____% of Earnings or \$ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$ _____ or _____% of Earnings, whichever is _____ more or _____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

N/A

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

- A. Plan contributions will be made based on differential wage payments:

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

- B. Participants who die or become disabled will receive Plan contributions with respect to such service:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

- 1. Overtime
 Yes No
- 2. Bonuses
 Yes No
- 3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

- 1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:
 Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)
- 2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.
 Effective Date is _____
(Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

- 1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.
 Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)
- 2. The Limitation Year is the following 12 consecutive month period: 01/01 - 12/31
- 3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. _____
(The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.)

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	Addendum1 %
One	0 %
Two	0 %
Three	25 %
Four	50 %
Five	75 %
Six	100 %
Seven	100 %
Eight	100 %
Nine	100 %
Ten	100 %

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

- Normal Retirement Age
- Age 70½ (*"70½" is the default provision under the Plan if no selection is made.*)
- Alternate age (after Normal Retirement Age): _____
- Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.

- Yes
- No (*"Yes" is the default provision under the plan if no selection is made.*)

3. Tax-free distributions of up to \$3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.

- Yes
- No (*"No" is the default provision under the Plan if no selection is made.*)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.

- Yes
- No (*"No" is the default provision under the Plan if no selection is made.*)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

- Yes
- No (*"No" is the default provision under the Plan if no selection is made.*)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (*"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.*)
- 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

- All Eligible Employees
- Other: _____

Final Pay shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (*insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave*):

- 1. **Employer Final Pay Contribution.** The Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).
- 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert fixed percentage of final pay to be contributed) or up to _____% (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

- All Eligible Employees
- Other: _____

Accrued Leave shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

- For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).
- For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____ % of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____ % (insert fixed percentage of accrued unpaid leave to be contributed) or up to _____ % (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20_____.

EMPLOYER

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Attest: _____

Attest: _____

Addendum 1

Lansing Board of Water & Light 401a Restatement -- Plan # 106696

V. Eligibility Requirements

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The period of service shall be: The first contribution will be made on the first pay date following 6 months from the date of hire.

VI. Contribution Provisions

- 1. The Employer shall contribute as follows: Fixed Employer Contributions without Mandatory Participant Contributions (see below)**

Fixed Employer (ER) Contributions

Employed Before January 1, 1997
15% ER Contribution for Bargaining - Subject to vesting schedule (below)
15% ER Contribution for Non-Bargaining - Subject to vesting schedule
3% ER Contribution (Non-Bargaining/exempt) - vested 100% Day 1
0.5% ER Contribution (Non-Bargaining) - vested 100% Day 1
Employed After January 1, 1997
8.1% ER Contribution for Bargaining and Non-Bargaining - Subject to vesting schedule (below)
3% ER Contribution (Non-Bargaining/exempt) - vested 100% Day 1
0.5% ER Contribution (Non-Bargaining) - vested 100% Day 1

X. Vesting Provisions: Basic contributions vesting schedule, see below. Exempt ER (Employer) contributions and Non-bargaining ER contributions are –vested 100% Day 1. In addition all contributions are vested at age 55.

Period of Service Completed	Percent Vested
Zero	0 %
One	0 %
Two	0 %
Three	25 %
Four	50 %
Five	75 %
Six	100 %
Seven	100 %
Eight	100 %
Nine	100 %
Ten	100 %

*This addendum is a re-statement of our current vesting schedules. The vesting schedules are currently being administered correctly on the ICMA plan. No change to the vesting schedule is needed.

PROPOSED RESOLUTION

Lansing Board of Water & Light External Auditor Recommendation

WHEREAS, Lansing City Charter Section 3-404.1 requires an independent audit of all accounts of the City government, including the Board of Water and Light (BWL), at the close of each fiscal year, and all such audits shall be made by a Certified Public Accountant designated by the City Council; and

WHEREAS, BWL staff engaged in its normal public procurement process for the purpose of soliciting and evaluating proposals from a variety of independent public accounting firms that have municipal utility audit experience to perform an audit of the BWL as required by Lansing City Charter Section 3-404 for fiscal years ending June 30 on the following respective years: 2016, 2017, 2018, 2019, and 2020; and

WHEREAS, based on the public procurement evaluation of the proposals received, the BWL staff recommends the firm of Baker Tilly to perform these BWL audits; and

RESOLVED, that the Board of Commissioners support BWL staff's recommendation;

FURTHER RESOLVED, the Board of Commissioners recommends that Lansing City Council approve and designate Baker Tilly to perform the annual financial audit for each of the fiscal years ending June 30 on the following respective years: 2016, 2017, 2018, 2019, and 2020 in accordance with Lansing City Charter 3-404.1; and

FURTHER RESOLVED, that the Corporate Secretary is hereby directed to submit this resolution on behalf of the Board of Commissioners to City Council requesting their approval of Baker Tilly as recommended by the Board of Commissioners.