

SPRINGFIELD TOWNSHIP TRUSTEES
LUCAS COUNTY, OHIO
RESOLUTION 25-036

PAYMENT REDIRECT, BUSINESS EMAIL COMPROMISE (BEC) POLICY

The Board of Trustees of Springfield Township, Lucas County, Ohio, met on December 17, 2025, at 7617 Angola Road, Holland, Ohio, for a Special Trustees Meeting with the following members present:

Tom Anderson Jr., Rachel Geiger, and Andrew Glenn

Andrew Glenn moved the adoption of the following Resolution:

WHEREAS, the Ohio Auditor of State issued Bulletin 2024-003 addressing Payment Re-direct and Business Email Compromise ("BEC") schemes affecting Ohio governments; and

WHEREAS, the key risks involve emails or calls impersonating trusted vendors or employees; requests to change vendor banking or employee payroll information; spear phishing and malware attacks targeting financial and payroll staff; and fraudulent requests that may include urgency, spelling errors, mismatched sender addresses or unusual email formatting; and

WHEREAS, the Ohio Auditor of State issued Bulletin 2025-007 addressing Ohio Revised Code Section 9.64 requirements for political subdivisions to set and adopt standards safeguarding against cybersecurity threats and ransomware attacks; and

WHEREAS, a cybersecurity incident includes a disruption of the Townships' ability to engage in business or operations, including due to payment re-direct, payroll re-direct, spear phishing or BEC schemes; and

WHEREAS, the Springfield Township Board of Trustees desires to implement a Payment-Re-direct, BEC Policy in compliance with Ohio Revised Code Section 9.64.

NOW THEREFORE, BE IT RESOLVED by the Springfield Township Board of Trustees, Lucas County, Ohio as follows:

1. Adopts Resolution 25-036, to establish a Payment Re-direct, BEC policy, as follows:
 - a. **Purpose:** the purpose of the Policy is to prevent financial losses caused by Payment Re-Direct and BEC fraud schemes, where cybercriminals impersonate vendors, employees, or financial institutions to redirect funds or change banking information.
 - b. **Policy Statement:** the Township shall use strict verification and approval procedures for all requests involving changes to employee banking information, vendor payment instructions, financial accounts, ACH/Direct Deposit details, or similar payment-related data. No change may be processed without independent verification through secured and approved methods.
 - c. **Scope:** this policy applies to all employees who: process vendor payments or invoices, manage payroll or employee onboardings, approve financial transactions, update vendor or employee contact information, or interact with financial institutions.

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d. Roles and Responsibilities:

- i. Fiscal Officer – Retains statutory oversight, ensures compliance, reviews reports and provides training.
- ii. Finance Director/ Township Administrator – Approves all vendor/ banking changes, conducts secondary verification, ensures segregation of duties.
- iii. Finance Assistant – Receives invoices, flags red flags, forwards changes to Finance Director, maintains documentation.
- iv. HR – Accepts payroll changes in person, only, verifies identity, forwards unusual requests.
- v. Department Supervisors – Assist in verifying vendors, escalate suspicious requests.
- vi. IT/ Security – Maintains secure systems, detects phishing, trains staff, reports breaches.

e. Required Procedures Verification Requirements:

- i. No changes to vendor or employee banking details may be accepted via email, text, or electronic message.
- ii. Employee payroll direct deposit changes require in-person verification.
- iii. Vendor payment instruction changes require:
 1. in-person verification whenever possible; and
 2. secondary verification by an employee familiar with the vendor.
- iv. If in-person verification is not possible, staff must use a verified phone number from an existing source (prior invoice, HR records, vendor file, official website).
- v. No action should be taken on the request until verification is received.
- vi. Secondary approval is required on all changes by the Finance Director.

f. Security Controls:

- i. Staff must never use contact information listed in an email request to validate identity.
- ii. All payment or banking information changes require secondary internal approval.
- iii. Segregation of duties must be maintained between change initiation and approval.
- iv. When appropriate, a small test payment should be used to confirm legitimacy.

g. Red Flag Detection: Employees must pause and escalate when they identify the following:

- i. email address variations or misspellings,
- ii. urgent or unexpected payment/banking requests, suspicious grammar or formatting in emails,
- iii. unencrypted email or mismatched sender domains,
- iv. requests coinciding with leadership absences or vacations.

h. Training: All employees shall receive recurring training (on at least an annual basis) on:

- i. cybersecurity and phishing awareness,
- ii. fraud detection techniques,

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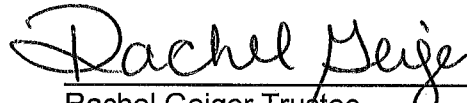
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- iii. secure handling of financial information, and
 - iv. reporting procedures for suspected fraud.
- i. **Reporting:** Any suspected fraudulent request must be reported immediately to:
- i. Fiscal Officer,
 - ii. Financial Director,
 - iii. Administrator, and
 - iv. IT security.
- j. **Enforcement:** Employees who fail to comply with this policy may face disciplinary action. If a finding is made against the Township, employees may be held personally liable for losses resulting from negligence or failure to follow the policy procedures.
2. It is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were adopted in an open meeting of this Board and that all deliberations of this Board that resulted in such formal action, were in meetings open to the public and in compliance with all legal requirements, including Section 121.22 of the Revised Code of Ohio.

Tom Anderson Jr. seconded the motion and the roll was called on the question of its adoption.

The vote was as follows:

Tom Anderson Jr. – YES Rachel Geiger – YES Andrew Glenn - YES



Rachel Geiger Trustee



Tom Anderson Jr., Trustee



Andrew Glenn, Trustee

Brenna Koback, Fiscal Officer
December 17, 2025 Special Trustee Meeting