

RESOLUTION NO. 2010-25

A RESOLUTION OF THE TOWN OF GARFIELD ESTABLISHING CERTAIN POLICIES AND PROCEDURES FOR AUTHORIZING ISSUANCE OF PAYMENTS.

WHEREAS the Town Council wants to ensure proper, timely and accurate payments to suppliers of goods and services, payments to employees for payroll or reimbursement of expenses, payments for debt service, and issuing refunds, etc.

WHEREAS the Town has a Crime Bond that covers officials, employees and volunteers.

WHEREAS the Department of Revenue is now requiring the town's payment of excise taxes be done monthly via electronic funds transfer and it is anticipated the Internal Revenue Service will do so soon for payroll taxes, it is necessary to update the issuance of payments.

NOW THEREFORE, IT IS HEREBY RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF GARFIELD, WASHINGTON, THAT THE FOLLOWING DISBURSEMENT POLICY IS ADOPTED:

PURPOSE:

This policy is established in order to ensure internal control and timely, accurate payments.

SCOPE:

This policy applies to all disbursements including, but not limited to, payment to suppliers of goods and services, payments to employees for payroll or reimbursement of expenses, payments for debt service, issuing refunds, payment of taxes, etc. These requirements are in addition to policies concerning travel, use of credit cards, and issuance of payments prior to council approval and payroll policies contained in the personnel manual.

RESPONSIBILITIES:

- A. It is the responsibility of clerk-treasurer to verify all invoices and receiving documents to ensure accuracy. Any discrepancy must be resolved with the vendor prior to processing for payment.
- B. The person receiving the goods or services must sign the receiving documents and transmit them to the clerk-treasurer. Invoices for services should be approved by the appropriate person prior to invoice processing for payment.
- C. Vouchers are to be prepared by the clerk-treasurer, a file list or register is run and totals verified to total of vouchers. The file list or register should be reviewed by the clerk/treasurer for accuracy of vendors, coding etc. The checks and electronic funds transfers are then prepared by the clerk-treasurer.
- D. Vouchers with the appropriate check and electronic funds transfer documentation attached will be reviewed by the auditing officer (clerk-treasurer). This review should include verification of vendor, amount and account code.
- E. All checks will be reviewed and signed by the mayor and signed by the clerk-treasurer. All electronic funds transfers will be reviewed and approved by the mayor and clerk-treasurer.
- F. A voucher listing will be presented to council for approval of claims. If the town council disapproves a claim, the clerk/treasurer will pursue collection diligently until the amounts disapproved are collected or until the town council is satisfied and approves the claim.
- G. Responsibility for review and approval of time cards will be as follows:
 - Employees: By their supervisor/department head
 - Department heads: By the mayor

- H. Check stock will be kept in a locked security file cabinet with access limited to the clerk/treasurer. Checks shall be used in consecutive number order with spoiled or voided checks marked "void" on the face and the signature block torn off or perforated. A check register shall be maintained listing all checks in numerical sequence and listing all electronic funds transfers showing the date of issue, name of payee, amount and date redeemed. If the check has been voided or canceled this information should be included.

GENERAL

- The original invoice and supporting receiving documents will be filed with the voucher. The voucher and all original invoices must be stamped "PAID" on the face.
- Claims disbursements and selected payroll benefit disbursements will be issued on the second and fourth Wednesday of each month for the regular council meeting or the corresponding date if the regular council meeting date is changed. An exception will be granted for issuance of manual checks in order to take advantage of discounts offered for early payment or to avoid late fees.
- Manual checks will be issued only on an exception basis. All manual checks must be approved by the clerk/treasurer or mayor and be included in the next scheduled disbursement process.
- All checks and electronic funds transfers will be submitted to the town council for approval at the next regularly scheduled meeting following the disbursement process.
- Payroll disbursements will be issued on the fifth and the twentieth of each month as outlined by the Town Council. If payday falls on a weekend or holiday, the payday will be the last work day before the weekend or holiday.
- Request for checks (refunds) will be processed within two days of receipt of properly completed request form.
- Treasurer's checks are to be issued only for refunds, payment of debt principal and interest, or pass through payments to other governmental agencies.

PASSED BY THE TOWN COUNCIL THIS 13th DAY OF OCTOBER, 2010.

TOWN COUNCIL:

APPROVED:

Jarrold Pfaff, Mayor

ATTEST:

Annie Pillers, Clerk/Treasurer